

FIRST DIVISION

[G.R. No. 152611, August 05, 2003]

LAND BANK OF THE PHILIPPINES, PETITIONER, VS. SEVERINO LISTANA, SR., RESPONDENT.

D E C I S I O N

YNARES-SANTIAGO, J.:

This is a petition for review of the decision of the Court of Appeals in CA-G.R. SP No. 65276 dated December 11, 2001,^[1] which annulled the Orders dated January 29, 2001 and April 2, 2001 of the Regional Trial Court of Sorsogon, Sorsogon, Branch 51.^[2]

Respondent Severino Listana is the owner of a parcel of land containing an area of 246.0561 hectares, located in Inlagadian, Casiguran, Sorsogon, covered by Transfer Certificate of Title No. T-20193. He voluntarily offered to sell the said land to the government, through the Department of Agrarian Reform (DAR),^[3] under Section 20 of R.A. 6657, also known as the Comprehensive Agrarian Reform Law of 1988 (CARL). The DAR valued the property at P5,871,689.03, which was however rejected by the respondent. Hence, the Department of Agrarian Reform Adjudication Board (DARAB) of Sorsogon commenced summary administrative proceedings to determine the just compensation of the land.

On October 14, 1998, the DARAB rendered a Decision, the dispositive portion of which reads as follows:

WHEREFORE, taking into consideration the foregoing computation, the prior valuation made by the Land Bank of the Philippines is hereby set aside and a new valuation in the amount of TEN MILLION NINE HUNDRED FIFTY SIX THOUSAND NINE HUNDRED SIXTY THREE PESOS AND 25 CENTAVOS (P10,956,963.25) for the acquired area of 240.9066 hectares. The Land Bank of the Philippines is hereby ordered to pay the same to the landowner in the manner provided for by law.

SO ORDERED.^[4]

Thereafter, a Writ of Execution was issued by the PARAD directing the manager of Land Bank to pay the respondent the aforesaid amount as just compensation in the manner provided by law.^[5]

On September 2, 1999, respondent filed a Motion for Contempt with the PARAD, alleging that petitioner Land Bank failed to comply with the Writ of Execution issued on June 18, 1999. He argued that such failure of the petitioner to comply with the writ of execution constitutes contempt of the DARAB.

Meanwhile, on September 6, 1999, petitioner Land Bank filed a petition with the Regional Trial Court of Sorsogon, Branch 52, sitting as a Special Agrarian Court (SAC), for the determination of just compensation, as provided for in Section 16 (f) of the CARL.^[6]

On August 20, 2000, the PARAD issued an Order granting the Motion for Contempt, as follows:

WHEREFORE, premises considered, the motion for contempt is hereby GRANTED, thus ALEX A. LORAYES, as Manager of respondent LAND BANK, is cited for indirect contempt and hereby ordered to be imprisoned until he complies with the Decision of the case dated October 14, 1998.

SO ORDERED.^[7]

Petitioner Land Bank filed a Motion for Reconsideration of the aforequoted Order,^[8] which was however denied by the PARAD on September 20, 2000.^[9] Thus, petitioner filed a Notice of Appeal with the PARAD, manifesting its intention to appeal the decision to the DARAB Central, pursuant to Rule XI, Section 3 of the 1994 DARAB New Rules of Procedure.^[10]

On the other hand, the Special Agrarian Court dismissed the petition for the determination of just compensation filed by petitioner Land Bank in an Order dated October 25, 2000. Petitioner's Motion for Reconsideration of said dismissal was likewise denied.

In a Resolution dated November 27, 2000, PARAD Capellan denied due course to petitioner's Notice of Appeal and ordered the issuance of an Alias Writ of Execution for the payment of the adjudged amount of just compensation to respondent.^[11] On January 3, 2001, he directed the issuance of an arrest order against Manager Alex A. Lorayes.^[12]

Petitioner Land Bank filed a petition for injunction before the Regional Trial Court of Sorsogon, Sorsogon, with application for the issuance of a writ of preliminary injunction to restrain PARAD Capellan from issuing the order of arrest.^[13] The case was raffled to Branch 51 of said court. On January 29, 2001, the trial court issued an Order, the dispositive portion of which reads:

WHEREFORE, premises considered, the respondent Provincial Adjudicator of the DARAB or anyone acting in its stead is enjoined as it is hereby enjoined from enforcing its order of arrest against Mr. Alex A. Lorayes pending the final termination of the case before RTC Branch 52, Sorsogon upon the posting of a cash bond by the Land Bank.

SO ORDERED.^[14]

Respondent filed a Motion for Reconsideration of the trial court's order, which was denied in an Order dated April 2, 2001.^[15]

Thus, respondent filed a special civil action for *certiorari* with the Court of Appeals,^[16] docketed as CA-G.R. SP No. 65276. On December 11, 2001, the Court of

Appeals rendered the assailed decision which nullified the Orders of the Regional Trial Court of Sorsogon, Sorsogon, Branch 51.

Hence, the instant petition for review on the following issues:

- I. WHETHER OR NOT THE CA DEPARTED FROM THE ACCEPTED COURSE OF JUDICIAL PROCEEDINGS IN ENTERTAINING THE RESPONDENT'S SPECIAL CIVIL ACTION FOR CERTIORARI TO QUESTION THE FINAL ORDER OF THE RTC WHICH, HOWEVER, WAS SUBJECT TO APPEAL UNDER THE 1997 RULES OF CIVIL PROCEDURE.
- II. WHETHER OR NOT THE CA DECIDED IN A WAY NOT IN ACCORD WITH LAW AND SUBSTANTIAL JUSTICE IN ANNULING AND SETTING ASIDE THE RTC FINAL ORDER OF INJUNCTION, CONSIDERING THAT:
 - A. THE PARAD DID NOT ACQUIRE COMPETENT JURISDICTION OVER THE CONTEMPT PROCEEDINGS INASMUCH AS IT WAS INITIATED BY MERE MOTION FOR CONTEMPT AND NOT BY VERIFIED PETITION, IN VIOLATION OF SECTION 2, RULE XI OF THE NEW DARAB RULES OF PROCEDURE AND OF RULE 71 OF THE REVISED RULES OF COURT.
 - B. THE PARAD CONTEMPT ORDER CANNOT BE CONSIDERED FINAL AND EXECUTORY, BECAUSE THE PARAD ITSELF DISALLOWED THE PETITIONER'S APPEAL TO THE DARAB CENTRAL OFFICE, IN DISREGARD OF THE BASIC RULE THAT THE APPELLATE TRIBUNAL DETERMINES THE MERITS OF THE APPEAL.
 - C. THE PARAD ORDER OF ARREST AGAINST LBP MANAGER ALEX LORAYES WAS IN GROSS AND PATENT VIOLATION OF HIS PERSONAL, CONSTITUTIONAL AND CIVIL RIGHTS AGAINST UNJUST ARREST AND IMPRISONMENT, INASMUCH AS, UNDER THE 1987 CONSTITUTION, ONLY JUDGES CAN ISSUE WARRANTS OF ARREST AGAINST CITIZENS, AND THE PROPER SUBJECT OF THE CONTEMPT PROCEEDING WAS THE PETITIONER ITSELF AND NOT THE LBP MANAGER, AND YET THE CONTEMPT ORDER WAS AGAINST THE LBP MANAGER.
 - D. THE PARAD ORDER OF CONTEMPT WAS PATENTLY NULL AND VOID, AS IT ATTEMPTED TO ENFORCE COMPLIANCE WITH THE PARAD DECISION THAT WAS ADMITTEDLY NOT FINAL AND EXECUTORY, AS THE MATTER OF JUST COMPENSATION BEFORE THE SPECIAL AGRARIAN COURT WAS ON APPEAL WITH THE COURT OF APPEALS.

[17]

As regards the first issue, petitioner submits that the special civil action for *certiorari* filed by respondent before the Court of Appeals to nullify the injunction issued by the trial court was improper, considering that the preliminary injunction issued by the trial court was a final order which is appealable to the Court of Appeals via a notice of appeal.^[18]