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THIRD DIVISION

[G.R. No. 142501, December 07, 2001]

LEONARDA L. MONSANTO, PETITIONER, VS. JESUS AND TERESITA ZERNA AND COURT OF APPEALS, RESPONDENTS.

DECISION

PANGANIBAN, J.:

The filing of a criminal action carries with it the civil liability arising from the offense. However, the trial court cannot adjudge civil matters that are beyond its competence and powers. Thus, while a court may have authority to pass upon the criminal liability of the accused, it cannot make any civil awards that relate to the agrarian relationship of the parties because this matter is beyond its jurisdiction.

Statement of the Case

Before us is a Petition for Review under Rule 45 of the Rules of Court, assailing the January 12, 2000 Decision[1] and the March 16, 2000 Resolution[2] of the Court of Appeals[3] (CA) in CA-GR CV No. 55440. The decretal portion of the challenged Decision reads as follows:

> "IN VIEW OF ALL THE FOREGOING, for lack of jurisdiction, the assailed order of September 4, 1996 is hereby RECALLED, SET ASIDE and DECLARED NULL and VOID. The parties, if they so desire, should refer their dispute before the agrarian authorities. No pronouncement as to costs."[4]

The assailed Resolution denied petitioner's Motion for Reconsideration.

The Facts

Spouses Jesus and Teresita Zerna (herein private respondents) were charged with qualified theft in Criminal Case No. 5896, filed before the Regional Trial Court (RTC) of Lanao del Norte, Branch 6. This case was later re-raffled and transferred to Branch 4 of the same judicial region. The Information against private respondents was amended on June 8, 1995. It is reproduced hereunder:

> "That on or about February 25, 1995, up to the following month of March, 1995, in the City of Iligan, Philippines, and within the jurisdiction of this Honorable Court, the said accused, conspiring and confederating together and mutually helping each other, being then the overseers of some banana plants on the land owned by one Leonarda Monsanto and principally devoted to coconut trees, and having access to said land as such, with grave abuse of confidence reposed [i]n them by the said owner, with intent to gain, did then and there willfully, unlawfully and feloniously take, steal, harvest and carry away coconuts from the

premises of the said plantation, which the said accused then processed into copra with a total value of P6,162.50, belonging to said Leonarda Monsanto, without her consent and against her will, to the damage and prejudice of said Leonarda Monsanto in the aforesaid sum of P6,162.50, Philippine Currency."[5]

After trial on the merits, the RTC acquitted them of the charge on July 24, 1996. It held as follows:

> "x x x [T]he harvest in the land by the [accused] was done, not for the purpose of stealing the coconuts or the copra, but more to confirm their claim that they are tenants of the land. In fact the lack of intent to gain is shown by the fact that they immediately deposited the proceeds with the barangay captain and did not even claim a share [in] the proceeds of the copra.
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> x x x x x x x x x
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> "In view of the foregoing, the Court finds that the [accused] are not tenants of the land and the cash deposit [from] the proceeds of the copra with the barangay captain belongs to the private complainant, Leonarda Monsanto. However, considering the lack of intent of the [accused] to gain, no criminal liability for theft has been committed by them."[6]

It then disposed of the case in the following manner:

> "WHEREFORE, the criminal case for qualified theft against the [accused] Jesus Zerna and Teresita Zerna is hereby ordered dismissed and their bail bond cancelled. The barangay captain of Buru-un, Iligan City is hereby ordered to deliver the amount of P5,162.50, representing the proceeds [from the] copra sold by the [accused] to the private complainant, Leonarda Monsanto."[7]

The total proceeds of the copra sale alleged in the Information was P6,262.50. However, the awarded amount was only P5,162.50 which was deposited by private respondents with the barangay secretary of Buru-un[8] on March 2, 1995, after deducting P340 (harvesting cost) and P760 (labor cost). Thus, petitioner filed a timely Motion for Reconsideration praying that the remaining sum of P1,100 be returned to her.[9]

In its September 4, 1996 Order, the trial court granted the Motion and ordered private respondents to return the amount of P1,100.[10] It ruled thus:

> "In his motion for reconsideration, the private prosecutor prays that with respect to the civil aspect of the case, the accused be made to return the amount of P1,100.00 which they appropriated for themselves from the gross proceeds of the stolen property.
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> "Opposing the said motion, counsel for the accused avers that the amount P1,100.00 was due to the accused as compensation for their labor and equity demands that they [be] entitled to it.

"The Court has already adjudged that the accused are not guilty of theft and therefore, they cannot be considered to have stolen the coconuts. But the motion has raised another issue.

"Are the accused entitled to the amount of P1,100.00 as compensation for labor in harvesting the coconuts and processing these into copra?

"The accused plead equity in their favor since [there] appears to be no law applicable to the incident in question. However, for equity to apply, good faith must exist.

"From the findings of this Court, the harvesting of the coconuts and processing of the same into copra were not with the consent of the private complainant. In fact, if the proper criminal charge were made, which could be unjust vexation, the accused could have been convicted as their acts certainly vexed the private complainant by their harvesting the coconuts and selling the copra. Therefore, without good faith, since the Court found that they did the acts complained of in an attempt to confirm their tenancy claim, equity was wanting.

"The accused could not be entitled to compensation for their labor done without the consent of the private complainant since, obviously, there was no contract of labor between them for the harvesting of the coconuts and processing of these into copra.

"Even our laws on quasi-contracts do not allow compensation [for] the accused.

"Without equity or any law in their favor, the accused are therefore not entitled to compensation for their vexatious acts."[11]

After a review of the records and the pleadings of the parties, the CA, on appeal, ruled that the trial court had no jurisdiction to order private respondents to pay petitioner the amount of P1,100. Because the dispute involved an agricultural tenancy relationship, the matter fell within the primary and exclusive original jurisdiction of the Department of Agrarian Reform Adjudication Board (DARAB). It added that inasmuch as the RTC had no jurisdiction to rule on the civil aspect of the case *ergo*, it had no appellate authority over the matter under a writ of error.

The appellate court thus "recalled, set aside and declared null and void" the September 6, 1996 RTC Order requiring the return of the P1,100 to petitioner.

Hence, this Petition.[12]

Issues

In her Memorandum, petitioner raises the following issues for the Court's consideration:

I

"Is the Regional Trial Court automatically divested of jurisdiction over a

criminal case where an agrarian issue is argued as a defense, no matter how flimsy?

II

"Does the Court of Appeals have any competence to review an RTC Decision which ha[s] become FINAL as not appealed from, on the basis of a Notice of Appeal which was SPECIFICALLY and simply directed against an adscititious ORDER issued subsequent to that Decision?"[13]

This Court's Ruling

The Petition is devoid of merit.

First Issue:
DARAB Jurisdiction

Petitioner claims that the RTC was divested of its criminal jurisdiction when the CA annulled and set aside the September 4, 1996 Order. We disagree.

A careful review of the CA Decision shows that it merely set aside the September 4, 1996 RTC Order directing private respondents to pay P1,100 to petitioner. It did not annul the July 24, 1996 RTC Decision acquitting private respondents of qualified theft. Being an acquittal, the judgment became "final immediately after promulgation and cannot be recalled for correction or amendment."[14]

The trial court considered the return of the P1,100 as part of the civil aspect of the criminal case. As petitioner did not consent to the harvesting of the coconuts and the processing of the same into copra, then there was no basis to award the amount to private respondents. In the words of the trial court, "[w]ithout equity or any law in their favor, the accused are therefore not entitled to compensation for their vexatious acts."[15]

But what is the RTC's basis for ordering the return of P1,100 after it had already acquitted private respondents of qualified theft? Does the amount constitute civil liability? Let us clarify. Civil liability is the liability that may arise from (1) crime, (2) breach of contract or (3) tortious act. The first is governed by the Revised Penal Code; the second and the third, by the Civil Code.[16]

In the case at bar, there is no question that the RTC had criminal jurisdiction to try private respondents for the crime of qualified theft. In the normal course, it had authority to determine whether they had committed the crime charged and to adjudge the corresponding penalty and civil liability arising therefrom.

On September 4, 1996, the RTC issued an Order requiring private respondents to return the P1,100 to petitioner on the ground that petitioner had not consented to the harvesting of the coconuts or to their conversion into copra. Such order appears inconsistent with the trial court's finding that private respondents had not committed the crime of qualified theft. In *People v. Pantig*,[17] the Court held that where there is no crime committed, there can be no civil liability that can arise from the criminal action or as a consequence thereof, as follows: