Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

RAYMUNDO CODERIAS, as represented by his Attorney-In-Fact, MARLON M. CODERIAS, *Petitioner,*	**G.R. No. 180476**
- versus -	Present: CARPIO, *Chairperson,* BRION, DEL CASTILLO, PEREZ, *and* PERLAS-BERNABE, *JJ.*
ESTATE OF JUAN CHIOCO, represented by its Administrator, DR. RAUL R. CARAG, *Respondent.*	Promulgated: JUN 26 2013

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DECISION

DEL CASTILLO, *J.*:

The Court cannot sanction the use of force to evict beneficiaries of land reform. Eviction using force is reversion to the feudal system, where the landed elite have free rein over their poor vassals. In effect, might is right.

This Petition for Review on *Certiorari*[1] seeks the reversal of the April 27, 2007 Decision[2] of the Court of Appeals (CA) and its November 5, 2007 Resolution[3] denying petitioner's Motion for Reconsideration[4] in CA-G.R. SP No. 86149.

Factual Antecedents

The deceased Juan O. Chioco (Chioco) owned a 4-hectare farm in Lupao,

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1 *Rollo*, pp. 3-15.
2 CA *rollo*, pp. 113-120; penned by Associate Justice Normandie B. Pizarro and concurred in by Associate Justices Edgardo P. Cruz and Fernanda Lampas Peralta.
3 Id. at 134-135.
4 Id. at 123-126.

Nueva Ecija (the farm). As tiller of the farm,[5] petitioner Raymundo Coderias was issued a Certificate of Land Transfer (CLT) on April 26, 1974.[6]

In 1980, individuals connected with Chioco – who was a former Governor of Nueva Ecija – threatened to kill petitioner if he did not leave the farm. His standing crops (corn and vegetables) and house were bulldozed. For fear of his life, petitioner, together with his family, left the farm.[7]

In 1993 upon learning of Chioco's death, petitioner and his family re-established themselves on the farm.[8] On March 9, 1995[9] petitioner filed with the Department of Agrarian Reform Adjudication Board (DARAB) in Talavera, Nueva Ecija a Petition[10] against respondent Chioco's estate praying that his possession and cultivation of the farm be respected; that the corresponding agricultural leasehold contract between them be executed; that he be awarded actual damages for the destruction of his house, his standing crops, unrealized harvest from 1980 up to 1993, attorney's fees and costs of litigation.[11] The case was docketed as DARAB Case No. 1572-NNE-95.

Respondent moved to dismiss[12] the Petition, contending that petitioner's cause of action has prescribed under Section 38[13] of Republic Act (RA) No. 3844,[14] as amended, since the alleged dispossession took place in 1980 but the Petition was filed only in 1995, or beyond the statutory three-year period for filing such claims. Petitioner filed an opposition[15] arguing that his tenure/tillage should be deemed uninterrupted since his departure was due to threats made by Chioco's henchmen; thus, the three-year prescriptive period should not be applied to his case.

Ruling of the Provincial Agrarian Reform Adjudicator (PARAD)

On September 10, 1996, the PARAD issued a Decision[16] dismissing the Petition on the ground of prescription. It adopted respondent's argument, adding that although petitioner was forcibly evicted from the farm, he was not without remedy under the law to assert his rights. Yet, he filed the Petition only after 14 years, or in 1995. He is thus guilty of laches and is deemed to have abandoned his

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5 Records, p. 12.
6 Id. at 64.
7 Id. at 11.
8 Id. at 10.
9 Id. at 12.
10 Id. at 12-8.
11 Id. at 9.
12 Id. at 35-34.
13 Section 38. Statute of Limitations - An action to enforce any cause of action under this Code shall be barred if not commenced within three years after such cause of action accrued.
14 The Agricultural Land Reform Code.
15 Records, pp. 49-48.
16 Id. at 53-50; penned by Provincial Adjudicator Romeo B. Bello.

rights and privileges under the agrarian laws.

Ruling of the DARAB

Petitioner appealed[17] to the DARAB, which appeal was docketed as DARAB Case No. 6066.

On December 8, 2003, the DARAB issued a Decision,[18] decreeing as follows:

> WHEREFORE, the appealed decision is hereby set aside. A new judgment is entered:
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> 1. Ordering the Respondent-Appellee to respect and maintain the Petitioner-Appellant in his peaceful possession and cultivation of the subject landholding; and
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> 2. Ordering the Respondent-Appellee to reimburse Raymundo Coderias of the money equivalent representing the latter's unrealized harvest from 1980 to 1993 or if he has not been allowed to re-enter up to the time this decision is rendered then his share from the harvest should be computed from 1980 to the present, and ordering the MARO of the municipality to assist the parties in the computation thereof.
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> SO ORDERED.[19]

Respondent filed a Motion for Reconsideration[20] which, in an August 3, 2004 Resolution,[21] the DARAB denied.

Ruling of the Court of Appeals

Respondent went up to the CA by Petition for Review,[22] insisting that petitioner's cause of action has been barred by prescription and laches.

On April 27, 2007, the CA rendered the assailed Decision, the dispositive portion of which reads, as follows:

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17 Id. at 54.
18 Id. at 64-60; penned by DAR Assistant Secretary Lorenzo R. Reyes with the concurrence of DARAB Members Rolando G. Mangulabnan, Augusto P. Quijano, Edgar A. Igano, and Rustico T. de Belen.
19 Id. at 61-60.
20 Id. at 77-75.
21 Id. at 90-89.
22 CA *rollo*, pp. 17-24.

> **WHEREFORE**, in view of the foregoing, the ***Decision***, dated December 8, 2003, and the ***Resolution***, dated August 3, 2004, of the DARAB-Central Office in DARAB Case No. 6066 are hereby **SET ASIDE**. The ***Decision***, dated September 10, 1996 of the Provincial Adjudicator in DARAB Case No. 1572 'NNE' 95 is ordered **REINSTATED**. No costs.
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> **SO ORDERED.**[23]

The CA held that undoubtedly, a tenancy relation existed between Chioco and petitioner under RA 3844.[24] Nevertheless, it found that petitioner's action had prescribed, in that the complained acts occurred in 1980 but petitioner filed DARAB Case No. 1572-NNE-95 only in 1995, or beyond the three-year prescriptive period under Section 38 of RA 3844. The CA held that this delayed action by petitioner amounts to laches as well.[25]

On May 23, 2007, petitioner filed a Manifestation with Motion for Reconsideration.[26] However, the CA denied the same via the assailed November 5, 2007 Resolution.

Petitioner thus timely filed the instant Petition for Review on *Certiorari*.

Issue

In this Petition which seeks a reversal of the CA pronouncement and reinstatement of the December 8, 2003 DARAB Decision, petitioner submits this lone issue for the Court's resolution:

> AS A RULE, THE FINDINGS OF FACT OF THE COURT OF APPEALS ARE FINAL AND CONCLUSIVE AND CANNOT BE REVIEWED ON APPEAL TO THE SUPREME COURT. HOWEVER, THE FINDINGS OF FACT OF THE COURT OF APPEALS MAY BE REVIEWED BY THE SUPREME COURT ON APPEAL BY *CERTIORARI* WHERE THERE IS GRAVE ABUSE OF DISCRETION. AT BAR, THE HONORABLE COURT OF APPEALS GRAVELY ABUSED ITS DISCRETION IN FINDING THAT PRESCRIPTION HAD SET IN SINCE IT DISREGARD [sic] THE PRINCIPLE LAID DOWN IN SECTIONS 3, 3.1, AND 3.2, RULE I OF THE 2003 DARAB RULES OF PROCEDURE.[27]

Petitioner's Arguments

Petitioner contends in his Petition and Reply[28] that the three-year

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23 Id. at 119. Emphases in the original.
24 Id. at 117.
25 Id. at 117-119.
26 Id. at 123-126.
27 *Rollo*, p. 10.
28 Id. at 89-94.

prescriptive period under Section 38 of RA 3844 should be counted from the time that the intimidation by Chioco ceased upon his death. Petitioner argues that while the intimidation and threats against him and his family continued, the prescriptive period to file a case under RA 3844 should not run.

Petitioner adds that Section 38 should not be applied to his case, as Sections 3, 3.1 and 3.2, Rule I[29] of the 2003 DARAB Rules of Procedure allow for the relaxation of technical rules, procedures, and evidence, as well as the adoption of measures that are appropriate and applicable to agrarian disputes. He likewise cites the pronouncement of the DARAB to the effect that Section 38 is not applicable because the case filed was precisely to obtain security and protection from Chioco's acts of intimidation against him, which continued until Chioco's death in 1993. Since it was Chioco's threats and intimidation which drove him away and kept him from returning to the farm and filing the appropriate case, petitioner suggests that the applicable prescriptive period should be reckoned from the time that he returned to the farm when the threats and intimidation ceased.

Respondent's Arguments

Respondent, in its Comment,[30] insists that petitioner's cause of action had prescribed. It also argues that, as correctly found by the CA, Section 38 of RA 3844 should apply in determining whether petitioner's cause of action has prescribed. RA 3844 is a special law and its provisions on prescription – not those of the Civil Code, which is a general law – should apply to the parties' agrarian dispute.

Our Ruling

The Court grants the Petition.

Petitioner availed of the remedy of Petition for Review on *Certiorari*, but claimed that the CA committed grave abuse of discretion, which accusation properly pertains to an original Petition for *Certiorari* under Rule 65. However, this should not affect his case for the CA committed a glaring error on a question

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[29] Section 3. *Technical Rules Not Applicable.* – The Board and its Regional and Provincial Adjudicators shall not be bound by technical rules of procedure and evidence and shall proceed to hear and decide all agrarian cases, disputes, or controversies in a most expeditious manner, employing all reasonable means to ascertain the facts of every case in accordance with justice and equity.

3.1 If and when a case comes up for adjudication wherein there is no applicable provision under these rules, the procedural law and jurisprudence generally applicable to agrarian disputes shall be applied.

3.2 In the absence of any applicable procedural law and jurisprudence generally applicable to agrarian disputes and in the interest of expeditious agrarian justice and whenever practicable, the Adjudication Board (Board), and its Regional Agrarian Reform Adjudicators (RARADs) and Provincial Agrarian Reform Adjudicators (PARADs) hereinafter referred to as the Adjudicators, shall have the authority to adopt any appropriate measure or procedure in any given situation or matter not covered by these Rules.

[30] *Rollo*, pp. 98-100.

of law which must be reversed.

It must be recalled from the facts that the farm has been placed under the coverage of RA 3844. It is also undisputed that a tenancy relation existed between Chioco and petitioner. In fact, a CLT had been issued in favor of the petitioner; thus, petitioner already had an expectant right to the farm.[31] A CLT serves as "a provisional title of ownership over the landholding while the lot owner is awaiting full payment of just compensation or for as long as the tenant-farmer is an amortizing owner. This certificate proves inchoate ownership of an agricultural land primarily devoted to rice and corn production. It is issued in order for the tenant-farmer to acquire the land he was tilling."[32] Since the farm is considered expropriated and placed under the coverage of the land reform law,[33] Chioco had no right to evict petitioner and enter the property. More significantly, Chioco had no right to claim that petitioner's cause of action had prescribed.

> x x x **[T]he Land Reform Code forges by operation of law, between the landowner and the farmer — be [he] a leasehold tenant or temporarily a share tenant — a *vinculum juris* with certain vital consequences, such as security of tenure of the tenant and the tenant's right to continue in possession of the land he works despite the expiration of the contract or the sale or transfer of the land to third persons, and now, more basically, the farmer's pre-emptive right to buy the land he cultivates under Section 11 of the Code, as well as the right to redeem the land, if sold to a third person without his knowledge, under Section 12 of this Code.**
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> To strengthen the security of tenure of tenants, Section 10 of R.A. No. 3844 provides that the agricultural leasehold relation shall not be extinguished by the sale, alienation or transfer of the legal possession of the landholding. With unyielding consistency, we have held that transactions involving the agricultural land over which an agricultural leasehold subsists resulting in change of ownership, such as the sale or transfer of legal possession, will not terminate the rights of the agricultural lessee who is given protection by the law by making such rights enforceable against the transferee or the landowner's successor in interest. x x x
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> In addition, Section 7 of the law enunciates the principle of security of tenure of the tenant, such that it prescribes that the relationship of landholder and tenant can only be terminated for causes provided by law. x x x [S]ecurity of tenure is a legal concession to agricultural lessees which they value as life itself and deprivation of their [landholdings] is tantamount to deprivation of their only means of livelihood. Perforce, the termination of the leasehold relationship can

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31 *Vinzons-Magana v. Hon. Estrella*, 278 Phil. 544, 550 (1991); *Pagtalunan v. Judge Tamayo*, 262 Phil. 267, 275-276 (1990).

32 *Heirs of Dr. Jose Deleste v. Land Bank of the Philippines (LBP)*, G.R. No. 169913, June 8, 2011, 651 SCRA 352, 382.

33 The taking of private lands under the agrarian reform program partakes of the nature of an expropriation proceeding. *Land Bank of the Philippines v. Heirs of Salvador Encinas*, G.R. No. 167735, April 18, 2012, 670 SCRA 52, 59; *Land Bank of the Philippines v. Department of Agrarian Reform*, G.R. No. 171840, April 4, 2011, 647 SCRA 152, 169.

> take place only for causes provided by law. x x x[34] (Emphasis supplied and citations omitted)

The CA has failed to recognize this *vinculum juris*, this juridical tie, that exists between the petitioner and Chioco, which the latter is bound to respect.

Under Section 8 of RA 3844, the agricultural leasehold relation shall be extinguished only under any of the following three circumstances, to wit: "(1) abandonment of the landholding without the knowledge of the agricultural lessor; (2) voluntary surrender of the landholding by the agricultural lessee, written notice of which shall be served three months in advance; or (3) absence of the persons under Section 9 to succeed the lessee x x x." None of these is obtaining in this case. In particular, petitioner cannot be said to have abandoned the landholding. It will be recalled that Chioco forcibly ejected him from the property through threats and intimidation. His house was bulldozed and his crops were destroyed. Petitioner left the farm in 1980 and returned only in 1993 upon learning of Chioco's death. Two years after, or in 1995, he filed the instant Petition.

Indeed, Section 38 of RA 3844 specifically provides that "[a]n action to enforce any cause of action under this Code shall be barred if not commenced within three years after such cause of action accrued." In this case, we deem it proper to reckon petitioner's cause of action to have accrued only upon his knowledge of the death of Chioco in 1993, and not at the time he was forcibly ejected from the landholding in 1980. For as long as the intimidation and threats to petitioner's life and limb existed, petitioner had a cause of action against Chioco to enforce the recognition of this juridical tie. Since the threats and intimidation ended with Chioco's death, petitioner's obligation to file a case to assert his rights as grantee of the farm under the agrarian laws within the prescriptive period commenced. These rights, as enumerated above, include the right to security of tenure, to continue in possession of the land he works despite the expiration of the contract or the sale or transfer of the land to third persons, the pre-emptive right to buy the land, as well as the right to redeem the land, if sold to a third person without his knowledge.

Petitioner may not be faulted for acting only after Chioco passed away for his life and the lives of members of his family are not worth gambling for a piece of land. The bulldozing of his house – his castle – is only an example of the fate that could befall them. Under the circumstances, it is therefore understandable that instead of fighting for the farm, petitioner opted to leave and keep his family safe. Any man who cherishes his family more than the most valuable material thing in his life would have done the same.

Force and intimidation restrict or hinder the exercise of the will, and so long

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[34] *Sarne v. Hon. Maquiling*, 431 Phil. 675, 686-687 (2002).

as they exist, petitioner is deprived of his free will. He could not occupy his farm, plant his crops, tend to them, and harvest them. He could not file an agrarian case against Chioco, for that meant having to return to Nueva Ecija. He could not file the case anywhere else; any other agrarian tribunal or agency would have declined to exercise jurisdiction.

Notably, on various instances, we have set aside technicalities for reasons of equity. We are inclined to apply the same liberality in view of the peculiar situation in this case.[35]

It is worth reiterating at this juncture that respondent had no right to claim prescription because a CLT had already been issued in favor of petitioner. The farm is considered expropriated and placed under the coverage of the land reform law. As such, respondent had neither the right to evict petitioner nor to claim prescription. In *Catorce v. Court of Appeals*,[36] this Court succinctly held:

> Petitioner had been adjudged the *bona fide* tenant of the landholding in question. Not only did respondent fail to controvert this fact, but he even impliedly admitted the same in his Answer to petitioner's Complaint when he raised, as one of his defenses, the alleged voluntary surrender of the landholding by petitioner. Respondent Court should have taken this fact into consideration for tenants are guaranteed security of tenure, meaning, the continued enjoyment and possession of their landholding except when their dispossession had been authorized by virtue of a final and executory judgment, which is not so in the case at bar.
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> The Agricultural Land Reform Code has been designed to promote economic and social stability. Being a social legislation, it must be interpreted liberally to give full force and effect to its clear intent, which is 'to achieve a dignified existence for the small farmers' and to make them 'more independent, self-reliant and responsible citizens, and a source of genuine strength in our democratic society'.[37]

At any rate, respondent cannot legally invoke the strict application of the rules on prescription because the failure of petitioner to immediately file the Petition was due to its own maneuvers.[38] This Court should not allow respondent to profit from its threats and intimidation. Besides, if we subscribe to respondent's ratiocination that petitioner's cause of action had already prescribed, it would lead to an absurd situation wherein a tenant who was unlawfully deprived of his landholding would be barred from pursuing his rightful claim against the transgressor.[39]

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35 *Philippine Veterans Bank v. Solid Homes, Inc*., G.R. No. 170126, June 9, 2009, 589 SCRA 40, 53.

36 214 Phil. 181 (1984).

37 Id. at 184-185.

38 *Philippine Veterans Bank v. Solid Homes, Inc*., supra; *Casela v. Court of Appeals*, 146 Phil. 292, 295 (1970); *Bausa v. Heirs of Juan Dino*, G.R. No. 167281, August 28, 2008, 563 SCRA 533, 542.

39 *Cando v. Spouses Olazo*, 547 Phil. 630, 638 (2007).

> We have ruled time and again that litigants should have the amplest opportunity for a proper and just disposition of their cause – free, as much as possible, from the constraints of procedural technicalities. In the interest of its equity jurisdiction, the Court may disregard procedural lapses so that a case may be resolved on its merits. Rules of procedure should promote, not defeat, substantial justice. Hence, the Court may opt to apply the Rules liberally to resolve substantial issues raised by the parties.
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> Rules of procedure ought not to be applied in a very rigid, technical sense, for they are adopted to help secure, not override, substantial justice, and thereby defeat their very ends. Indeed, rules of procedure are mere tools designed to expedite the resolution of cases and other matters pending in court. A strict and rigid application of the rules that would result in technicalities that tend to frustrate rather than promote justice must be avoided.[40]

"It is a better rule that courts, under the principle of equity, will not be guided or bound strictly by the statute of limitations or the doctrine of laches when to do so, manifest wrong or injustice would result."[41] It must also be emphasized that "[t]he statute of limitations has been devised to operate primarily against those who slept on their rights and not against those desirous to act but cannot do so for causes beyond their control."[42]

Petitioner's tenure on the farm should be deemed uninterrupted since he could not set foot thereon. And if he could not make the required payments to Chioco or the Land Bank of the Philippines, petitioner should not be faulted. And, since his tenure is deemed uninterrupted, any benefit or advantage from the land should accrue to him as well.

> Our law on agrarian reform is a legislated promise to emancipate poor farm families from the bondage of the soil. P.D. No. 27 was promulgated in the exact same spirit, with mechanisms which hope to forestall a reversion to the antiquated and inequitable feudal system of land ownership. It aims to ensure the continued possession, cultivation and enjoyment by the beneficiary of the land that he tills which would certainly not be possible where the former owner is allowed to reacquire the land at any time following the award – in contravention of the government's objective to emancipate tenant-farmers from the bondage of the soil.[43]

WHEREFORE, the Petition is **GRANTED**. The April 27, 2007 Decision and November 5, 2007 Resolution of the Court of Appeals in CA-G.R. SP No. 86149 are hereby **ANNULLED and SET ASIDE**. The December 8, 2003 Decision of the Department of Agrarian Reform Adjudication Board is ordered **REINSTATED and AFFIRMED**.

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40 Id. at 637-638.
41 *Bausa v. Heirs of Juan Dino*, supra note 38.
42 *Republic v. Court of Appeals*, 221 Phil. 685, 693 (1985).
43 *Micking Vda. de Coronel v. Tanjangco, Jr.*, G.R. No. 170693, August 9, 2010, 627 SCRA 160, 176-177.

SO ORDERED.

MARIANO C. DEL CASTILLO
Associate Justice

WE CONCUR:

ANTONIO T. CARPIO
Associate Justice
Chairperson

ARTURO D. BRION
Associate Justice

JOSE PORTUGAL PEREZ
Associate Justice

ESTELA M. PERLAS-BERNABE
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

ANTONIO T. CARPIO
Associate Justice
Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIA LOURDES P. A. SERENO
Chief Justice