

LAND BANK OF THE PHILIPPINES, PETITIONER, VS. FEDERICO SUNTAY, AS REPRESENTED BY HIS ASSIGNEE, JOSEFINA LUBRICA, RESPONDENT.*G.R. No. 188376. December 14, 2011*

Ponente: BERSAMIN, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-188376/>**BERSAMIN, J.:**

In *Land Bank v. Suntay*,^[1] the Court has declared that the original and exclusive jurisdiction to determine just compensation under Republic Act No. 6657 (Comprehensive Agrarian Reform Law, or CARL) pertains to the Regional Trial Court (RTC) as a Special Agrarian Court; that any effort to transfer such jurisdiction to the adjudicators of the Department of Agrarian Reform Adjudication Board (DARAB) and to convert the original jurisdiction of the RTC into appellate jurisdiction is void for being contrary to the CARL; and that what DARAB adjudicators are empowered to do is only to determine in a preliminary manner the reasonable compensation to be paid to the landowners, leaving to the courts the ultimate power to decide this question.

Bearing this pronouncement in mind, we grant the petition for review on certiorari and reverse the decision promulgated on June 5, 2009 by the Court of Appeals (CA) in CA-G.R. SP No. 106104 entitled *Land Bank of the Philippines v. Hon. Conchita C. Miñas, Regional Agrarian Adjudicator of Region IV, and Federico Suntay*, as represented by his Assignee, Josefina Lubrica, dismissing the petition for certiorari of *Land Bank of the Philippines (Land Bank)* on the ground of its being moot and academic.

ANTECEDENTS

Respondent Federico Suntay (Suntay) owned land situated in Sta. Lucia, Sablayan, Occidental Mindoro with a total area of 3,682.0285 hectares. In 1972, the Department of Agrarian Reform (DAR) expropriated 948.1911 hectares of Suntay's land pursuant to Presidential Decree No. 27.^[2] Petitioner Land Bank and DAR fixed the value of the expropriated portion at P4,497.50/hectare, for a total valuation of P4,251,141.68.^[3] Rejecting the valuation, however, Suntay filed a petition for determination of just compensation in the Office of the Regional Agrarian Reform Adjudicator (RARAD) of Region IV, DARAB, docketed as DARAB Case No. V-0405-0001-00; his petition was assigned to RARAD Conchita Miñas (RARAD Miñas).^[4]

On January 24, 2001, after summary administrative proceeding in DARAB Case No. V-0405-0001-00, RARAD Miñas rendered a decision fixing the total just compensation for the expropriated portion at P157,541,951.30. Land Bank moved for a reconsideration, but RARAD Miñas denied its motion on March 14, 2001. It received the denial on March 26, 2001.^[5]

On April 20, 2001, Land Bank brought a petition for the judicial determination of just compensation in the RTC (Branch 46) in San Jose, Occidental Mindoro as a Special Agrarian Court, impleading Suntay and RARAD Miñas. The petition, docketed as Agrarian Case No. R-1241, essentially prayed that the total just compensation for the expropriated portion be fixed at only P4,251,141.67.^[6]

G.R. No. 159145

DARAB v. Lubrica

On May 22, 2001, despite the pendency of Agrarian Case No. R-1241 in the RTC, RARAD Miñas issued an order in DARAB Case No. V-0405-0001-00, declaring that her decision of January 24, 2001 had become final and executory. Land Bank contested the order through a motion for reconsideration, but RARAD Miñas denied the motion for reconsideration on July 10, 2001.

On July 18, 2001, RARAD Miñas issued a writ of execution directing the Regional Sheriff of DARAB Region IV to implement the decision of January 24, 2001.[7]

On September 12, 2001, Land Bank filed in DARAB a petition for certiorari (with prayer for the issuance of temporary restraining order (TRO)/preliminary injunction), docketed as DSCA No. 0252, seeking to nullify the following issuances of RARAD Miñas, to wit:

- (a) The decision of January 24, 2001 directing Land Bank to pay Suntay just compensation of P147,541,951.30;
- (b) The order dated May 22, 2001 declaring the decision of January 24, 2001 as final and executory;
- (c) The order dated July 10, 2001 denying Land Bank's motion for reconsideration; and
- (d) The writ of execution dated July 18, 2001 directing the sheriff to enforce the decision of January 24, 2001.

On September 12, 2001, DARAB enjoined RARAD Miñas from proceeding with the implementation of the decision of January 24, 2001, and directed the parties to attend the hearing to determine the propriety of issuing a preliminary or permanent injunction.[8]

On September 20, 2001, Josefina Lubrica (Lubrica), the assignee of Suntay, filed a petition for prohibition in the CA (CA-G.R. SP No. 66710) to prevent DARAB from proceeding in DSCA No. 0252 by mainly contending that the CARL did not grant to DARAB jurisdiction over special civil actions for certiorari. On the same day, the CA granted the prayer for TRO.

On October 3, 2001, DARAB issued a writ of preliminary injunction enjoining RARAD Miñas from implementing the January 24, 2001 decision and the orders incidental to said decision.[9]

DARAB submitted its own comment to the CA, arguing that it had issued the writ of injunction under its power of supervision over its subordinates, like the PARADs and the RARADs.

Land Bank also submitted its own comment, citing the prematurity of the petition for prohibition.[10]

On August 22, 2002, the CA promulgated its decision in CA-G.R. SP No. 66710, holding that DARAB, being a mere formal party, had no personality to file a comment vis-à-vis the petition for prohibition; and that DARAB had no jurisdiction to take cognizance of DSCA No. 1252, considering that its exercise of jurisdiction over a special civil action for certiorari had no constitutional or statutory basis. Accordingly, the CA granted the petition for prohibition and perpetually enjoined DARAB from proceeding in DSCA No. 1252, which the CA ordered dismissed.[11]

Thence, DARAB appealed the adverse CA decision to this Court via petition for review on certiorari, docketed as G.R. No. 159145 entitled Department of Agrarian Reform Adjudication Board of the Department of Agrarian Reform, Represented by DAR Secretary Roberto M. Pagdanganan v. Josefina S. Lubrica, in her capacity as Assignee of the rights and interest of Federico Suntay (DARAB v. Lubrica), insisting that the CA erred in declaring that DARAB had no personality to file a comment; in holding that DARAB had no jurisdiction over

DSCA No. 0252; and in nullifying the writ of preliminary injunction issued by DARAB in DSCA No. 0252 for having been issued in violation of the CA's TRO.

On April 29, 2005, the Court promulgated its decision in *DARAB v. Lubrica* (G.R. No. 159145),^[12] denying the petition for review. The Court opined that DARAB's limited jurisdiction as a quasi-judicial body did not include the authority to take cognizance of petitions for certiorari, in the absence of an express grant in R.A. No. 6657, Executive Order (E.O.) No. 229, and E.O. No. 129-A.

G.R. No. 157903

Land Bank v. Suntay

In the meanwhile, in Agrarian Case No. R-1241, Suntay filed a motion to dismiss, claiming that Land Bank's petition for judicial determination of just compensation had been filed beyond the 15-day reglementary period prescribed in Section 11, Rule XIII of the New Rules of Procedure of DARAB; and that, by virtue of such tardiness, RARAD Miñas' decision had become final and executory.^[13]

The RTC granted Suntay's motion to dismiss on August 6, 2001 on that ground.

Land Bank sought reconsideration, maintaining that its petition for judicial determination of just compensation was a separate action that did not emanate from the case in the RARAD.

Nonetheless, the RTC denied Land Bank's motion for reconsideration on August 31, 2001.^[14]

On September 10, 2001, Land Bank filed a notice of appeal in Agrarian Case No. R-1241, but the RTC denied due course to the notice of appeal on January 18, 2002, pointing out that the proper mode of appeal was by petition for review pursuant to Section 60 of the CARL.

The RTC denied Land Bank's motion for reconsideration on March 8, 2002.^[15]

Thereupon, Land Bank assailed in the CA the RTC's orders dated January 18, 2002 and March 8, 2002 via a special civil action certiorari (CA-G.R. SP No. 70015), alleging that the RTC thereby committed grave abuse of discretion amounting to lack or excess of jurisdiction in denying due course to its notice of appeal; and contending that decisions or final orders of the RTCs, acting as Special Agrarian Courts, were not appealable to the CA through a petition for review but through a notice of appeal.

On July 19, 2002, the CA promulgated its decision in CA-G.R. SP No. 70015, granting Land Bank's petition for certiorari; nullifying the RTC's orders dated January 18, 2002 and March 8, 2002; allowing due course to Land Bank's notice of appeal; and permanently enjoining the RTC from enforcing the nullified orders, and the RARAD from enforcing the writ of execution issued in DARAB Case No. V-0405-0001-00.^[16]

Thereafter, upon Suntay's motion for reconsideration, the CA reversed itself through the amended decision dated February 5, 2003,^[17] and dismissed Land Bank's petition for certiorari, thuswise:

WHEREFORE, premises considered, the present Motion for Reconsideration is hereby GRANTED. Consequently, the present petition is hereby DISMISSED.

The injunction issued by this Court enjoining (a) respondent Executive Judge from enforcing his Orders dated January 18, 2002 and March 8, 2002 in Agrarian Case No. R-1241; and (b) respondent Regional Agrarian Reform Adjudicator Conchita S. Miñas from enforcing the Writ of Execution dated July 18, 2001 issued in DARAB Case No. V-0405-0001-00, are hereby REVOKED and SET ASIDE.

SO ORDERED.

On April 10, 2003, the CA denied the Land Bank's motion for reconsideration.[18]

On May 6, 2003, Land Bank appealed to the Court, docketed as G.R. No. 157903, entitled Land Bank of the Philippines v. Federico Suntay, Represented by his Assignee, Josefina Lubrica (Land Bank v. Suntay).[19]

On October 12, 2005, the Court issued a TRO upon Land Bank's urgent motion to stop the implementation of RARAD Miñas' decision dated January 24, 2001 pending the final resolution of G.R. No. 157903.[20]

On October 11, 2007, this Court promulgated its decision in Land Bank v. Suntay (G.R. No. 157903),[21] viz:

The crucial issue for our resolution is whether the RTC erred in dismissing the Land Bank's petition for the determination of just compensation.

It is clear that the RTC treated the petition for the determination of just compensation as an appeal from the RARAD Decision in DARAB Case No. V-0405-0001-00. In dismissing the petition for being filed out of time, the RTC relied on Section 11, Rule XIII of the DARAB New Rules of Procedure which provides:

Section 11. Land Valuation and Preliminary Determination and Payment of Just Compensation. – The decision of the Adjudicator on land valuation and preliminary determination and payment of just compensation shall not be appealable to the Board [Department of Agrarian Reform Adjudication Board (DARAB)] but shall be brought directly to the Regional Trial Courts designated as Special Agrarian Courts within fifteen (15) days from receipt of the notice thereof. Any party shall be entitled to only one motion for reconsideration.

The RTC erred in dismissing the Land Bank's petition. It bears stressing that the petition is not an appeal from the RARAD final Decision but an original action for the determination of the just compensation for respondent's expropriated property, over which the RTC has original and exclusive jurisdiction. This is clear from Section 57 of R.A. No. 6657 which provides:

Section 57. Special Jurisdiction. – The Special Agrarian Courts [the designated Regional Trial Courts] shall have original and exclusive jurisdiction over all petitions for the determination of just compensation to landowners, and the prosecution of all criminal offenses under this Act. The Rules of Court shall apply to all proceedings before the Special Agrarian Courts, unless modified by this Act.

The Special Agrarian Courts shall decide all appropriate cases under their special jurisdiction within thirty (30) days from submission of the case for decision. (Underscoring supplied)

Parenthetically, the above provision is not in conflict with Section 50 of the same R.A. No. 6657 which states:

Section 50. Quasi-judicial Powers of the DAR. – The DAR is hereby vested with primary jurisdiction to determine and adjudicate agrarian reform matters and shall have exclusive original jurisdiction over all matters involving the implementation of agrarian reform, except those falling under the exclusive jurisdiction of the Department of Agriculture (DA) and the Department of Environment and Natural Resources (DENR) x x x.

In *Republic of the Philippines v. Court of Appeals*, we held that Section 50 must be construed in harmony with Section 57 by considering cases involving the determination of just compensation and criminal cases for violations of R.A. No. 6657 as excepted from the plenitude of power conferred upon the DAR. Indeed, there is a reason for this distinction. The DAR is an administrative agency which cannot be granted jurisdiction over cases of eminent domain (such as taking of land under R.A. No. 6657) and over criminal cases. Thus, in *Land Bank of the Philippines v. Celada*, *Export Processing Zone Authority v. Dulay* and *Sumulong v. Guerrero*, we held that the valuation of property in eminent domain is essentially a judicial function which cannot be vested in administrative agencies. Also, in *Scoty's Department Store, et al. v. Micaller*, we struck down a law granting the then Court of Industrial Relations jurisdiction to try criminal cases for violations of the Industrial Peace Act.

The procedure for the determination of just compensation cases under R.A. No. 6657, as summarized in *Landbank of the Philippines v. Banal*, is that initially, the Land Bank is charged with the responsibility of determining the value of lands placed under land reform and the compensation to be paid for their taking under the voluntary offer to sell or compulsory acquisition arrangement. The DAR, relying on the Land Bank's determination of the land valuation and compensation, then makes an offer through a notice sent to the landowner. If the landowner accepts the offer, the Land Bank shall pay him the purchase price of the land after he executes and delivers a deed of transfer and surrenders the certificate of title in favor of the government. In case the landowner rejects the offer or fails to reply thereto, the DAR adjudicator conducts summary administrative proceedings to determine the compensation for the land by requiring the landowner, the Land Bank and other interested parties to submit evidence as to the just compensation for the land. A party who disagrees with the Decision of the DAR adjudicator may bring the matter to the RTC designated as a Special Agrarian Court for the determination of just compensation. In determining just compensation, the RTC is required to consider several factors enumerated in Section 17 of R.A. No. 6657. These factors have been translated into a basic formula in DAR Administrative Order (A.O.) No. 6, Series of 1992, as amended by DAR A.O. No. 11, Series of 1994, issued pursuant to the DAR's rule-making power to carry out the object and purposes of R.A. No. 6657.

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Obviously, these factors involve factual matters which can be established only during a hearing wherein the contending parties present their respective evidence. In fact, to underscore the intricate nature of determining the valuation of the land, Section 58 of the same law even authorizes the Special Agrarian Courts to appoint commissioners for such purpose.

In the instant case, the Land Bank properly instituted its petition for the determination of just compensation before the RTC in accordance with R.A. No. 6657. The RTC erred in dismissing the petition. To repeat, Section 57 of R.A. No. 6657 is explicit in vesting the RTC, acting as a Special Agrarian Court, "original and exclusive jurisdiction over all petitions for the determination of just compensation to landowners." As we held in *Republic of the Philippines v. Court of Appeals*:

xxx. It would subvert this "original and exclusive" jurisdiction of the RTC for the DAR to vest original jurisdiction in compensation cases in administrative officials and make the RTC an appellate court for the review of administrative decisions.

Consequently, although the new rules [Section 11, Rule XIII of the DARAB New Rules of Procedure] speak of directly appealing the decision of adjudicators to the RTCs sitting as Special Agrarian Courts, it is clear from Section 57 that the original and exclusive jurisdiction to determine such cases is in the RTCs. Any effort to transfer such jurisdiction to the adjudicators and to convert the original jurisdiction of the RTCs into appellate jurisdiction would be contrary to Section 57 and therefore would be void. What adjudicators are empowered to do is only to determine in a preliminary manner the reasonable compensation to be paid to landowners, leaving to the courts the ultimate power to decide this question. (Underscoring supplied)

WHEREFORE, we GRANT the instant Petition for Review on Certiorari. The assailed Amended Decision dated February 5, 2003 and Resolution dated April 10, 2003 of the Court of Appeals in CA-G.R. SP No. 70015 are REVERSED. The Orders dated January 18, 2002 and March 8, 2002 issued by the RTC in Agrarian Case No. R-1241 are NULLIFIED. The RTC is ORDERED to conduct further proceedings to determine the just compensation of respondent's expropriated property in accordance with the guidelines set by this Court in *Landbank of the Philippines v. Banal*.

No pronouncement as to costs.

SO ORDERED.[22]

Suntay sought reconsideration, invoking the pronouncement in DARAB v. Lubrica (G.R. No. 159145) to the effect that “the RARAD Decision had already attained finality in accordance with the above-quoted rule, notwithstanding Land Bank’s recourse to the special agrarian court.”[23]

On January 30, 2008, however, the Court denied Suntay’s motion for reconsideration.[24] Accordingly, the decision in Land Bank v. Suntay became final and executory.

Second Execution in

DARAB Case No. V-0405-0001-00

On September 14, 2005, notwithstanding the pendency of Land Bank v. Suntay (G.R. No. 157903) in this Court, RARAD Miñas granted Suntay’s ex parte motion for the issuance of an alias writ of execution by citing the pronouncement in DARAB v. Lubrica (G.R. No. 159145) to the effect that her decision dated January 24, 2001 had attained finality in accordance with DARAB’s rules of procedure.[25]

Acting pursuant to the alias writ of execution, the DARAB sheriffs issued and served the following notices on the dates indicated herein, to wit:

- (a) A notice of demand to Land Bank on September 15, 2005;[26]
- (b) A notice of levy to Land Bank on September 21, 2005;[27]
- (c) A notice of levy to Bank of the Philippine Islands[28] and to Hongkong Shanghai Bank Corporation both on September 28, 2005;[29] and
- (d) An order to deliver “so much of the funds” in its custody “sufficient to satisfy the final judgment” to Land Bank on October 5, 2005.[30]

The moves of the sheriffs compelled Land Bank to file an urgent verified motion for the issuance of a TRO or writ of preliminary injunction in Land Bank v. Suntay (G.R. No. 157903).

On October 12, 2005, acting on Land Bank’s urgent motion, the Court resolved in Land Bank v. Suntay (G.R. No. 157903), viz:

- (a)
to issue a TEMPORARY RESTRAINING ORDER prayed for, effective immediately, enjoining and restraining Hon. Conchita C. Miñas or the Regional Agrarian Reform Adjudicator (RARAD) concerned, from issuing an alias writ of execution implementing the RARAD decision dated January 24, 2000, until further orders from this court; and
- (b)
to require the petitioner to POST a CASH BOND or a SURETY BOND from a reputable bonding company of indubitable solvency in the amount of FIVE HUNDRED THOUSAND PESOS (P500,000.00), within five (5) days from notice, otherwise, the temporary restraining order herein issued shall AUTOMATICALLY be lifted. Unless and until the Court directs otherwise, the bond shall be effective from its approval by the Court until this case is finally decided, resolved or terminated. [31]

On October 24, 2005, the Court directed the parties in Land Bank v. Suntay (G.R. No. 157903) to maintain the status quo ante,[32] thus:

G.R. No. 157903 xxx - Acting on the petitioner’s very urgent manifestation and omnibus motion dated

October 21, 2005, the Court Resolves to DIRECT the parties to maintain the STATUS QUO prior to the issuance of the Alias Writ of Execution dated September 14, 2005. All actions done in compliance or in connection with the said Writ issued by Hon. Conchita C. Miñas, Regional Agrarian Reform Adjudicator (RARAD), are hereby DEEMED QUASHED, and therefore, of no force and effect.

On the same day of October 24, 2005, however, the sheriffs held a public auction of Land Bank's levied shares of stock in the Philippine Long Distance Telephone Company (PLDT) and Manila Electric Company (MERALCO) at the Office of the DARAB Regional Clerk in Mandaluyong City. In that public auction, Lubrica, the lone bidder, was declared the highest bidder.[33]

On October 25, 2005, the same sheriffs resumed the public auction of Land Bank's remaining PLDT shares of stock and First Gen Corporation bonds. Lubrica was again declared the highest bidder.[34] The sheriffs then issued two certificates of sale in favor of Lubrica.

On October 25, 2005, RARAD Miñas reversed herself and quashed all acts done pursuant to the writ of execution,[35] viz:

This refers to the Resolution of the Third Division of the Supreme Court dated October 24, 2005 in G.R. No. 157903 (Land Bank of the Philippines vs. Federico Suntay, Represented by His Assignee, Josefina Lubrica) directing the parties to maintain the STATUS QUO prior to the issuance of the Alias Writ of Execution dated September 14, 2005; and that all actions done in compliance or in connection with said Writ issued by Hon. Conchita C. Miñas, Regional Agrarian Reform Adjudicator (RARAD) are hereby DEEMED QUASHED, and therefore, of no force and effect.

The Sheriffs and all parties in this case are ordered to strictly comply with this Order immediately.

SO ORDERED.

As earlier stated, on October 11, 2007, the Court resolved Land Bank v. Suntay (G.R. No. 157903) in favor of Land Bank.[36]

This Case (G.R. No. 188376)

On October 29, 2008, Suntay presented to RARAD Miñas in DARAB Case No. V-0405-0001-00 his urgent ex parte manifestation and motion to resume interrupted execution,[37] citing Land Bank v. Martinez (G.R. No. 169008, July 31, 2008, 560 SCRA 776).

Immediately, on October 30, 2008, RARAD Miñas granted Suntay's urgent ex parte manifestation and motion, and ordered the DARAB sheriffs to resume their implementation of the alias writ of execution issued in DARAB Case No. V-0405-0001-00, stating:

The basis of the motion, the case of Land Bank vs. Raymunda Martinez (supra) indubitably clarified that "the adjudicator's decision on land valuation attained finality after the lapse of the 15-day period citing the case of Department of Agrarian Reform Adjudication Board vs. Lubrica in GR No. 159145 promulgated on April 29, 2005. Movant in this case therefore is correct that the Decision in the Land Bank case of the Philippines vs. Raymunda Martinez resolved the conflict by rendering a Decision upholding the rulings of the Second Division of the Supreme Court in GR No. 159145 entitled Department of Agrarian Reform Adjudication Board (DARAB) of the Department of Agrarian Reform (DAR) represented by DAR Secretary, Roberto M. Pagdanganan vs. Josefina Lubrica in her capacity as Assignee of rights and interest of Federico Suntay and striking down as erroneous the rulings of the Third Division in GR No. 157903 entitled Land Bank of the Philippines vs. Federico Suntay, et. al.

The ruling in the case of Land Bank of the Philippines vs. Raymunda Martinez which upheld the Decision in

Lubrica having attained finality, the Status Quo Order issued by the Third Division in GR No. 157903 is now rendered ineffective.

WHEREFORE, premises considered, the instant motion is hereby GRANTED.

Sheriffs Maximo Elejerio and Juanita Baylon are hereby ordered to resume the interrupted execution of the Alias Writ issued in this case on September 14, 2005.

SO ORDERED.[38]

The DARAB sheriffs forthwith served a demand to comply dated October 30, 2008 on the Philippine Depository and Trust Corporation (PDTC) and Securities Transfer Services, Inc. (STSI).[39]

By letter dated October 31, 2008, PDTC notified Land Bank about its being served with the demand to comply and about its action thereon, including an implied request for Land Bank to “uplift” the securities.[40]

Also on October 31, 2008, PDTC filed a manifestation and compliance in the office of the RARAD, Region IV, stating that it had already “issued a written notice” to Land Bank “to uplift the assets involved” and that “it ha(d) caused the subject assets to be outside the disposition” of Land Bank.[41]

In response, Land Bank wrote back on November 3, 2008 to request PDTC to disregard the DARAB sheriffs’ demand to comply.[42]

PDTC responded to Land Bank that it was not in the position to determine the legality of the demand to comply, and that it was taking the necessary legal action.[43]

On November 10, 2008, PDTC sent a supplemental letter to Land Bank reiterating its previous letter.[44]

Given the foregoing, Land Bank commenced on November 12, 2008 a special civil action for certiorari in the CA (CA-G.R. SP No. 106104), alleging that RARAD Miñas had “committed grave abuse of discretion amounting to lack or in excess of jurisdiction in rendering ex parte the assailed Order dated October 30, 2008 as it varies, modifies or alters the Supreme Court Decision dated October 11, 2007, which had become final and executory;” and that the DARAB sheriffs had “committed grave abuse of discretion amounting to lack or excess of jurisdiction in issuing to, and serving on, the Philippine Depository and Trust Corporation, a copy of the Demand to Comply dated October 30, 2008 notwithstanding the unquestioned finality of the Supreme Court’s decision dated October 11, 2007.”[45]

Suntay submitted a comment and opposed the issuance of a TRO.[46]

On November 28, 2008, before the CA could act on Land Bank’s application for TRO, MERALCO cancelled Land Bank’s 42,002,750 shares of stock and issued new stock certificates in the name of Lubrica. MERALCO recorded the transfer of ownership of the affected stocks in its stock and transfer book. All such acts of MERALCO were done in compliance with the demand to comply by the DARAB sheriffs pursuant to the certificate of sheriff’s sale dated October 24, 2005 and the certificate authorizing registration dated November 20, 2008 (respecting Land Bank’s MERALCO shares) issued in favor of Lubrica.[47]

Without yet being aware of the transfers, the CA issued a TRO on December 4, 2008 to prevent the implementation of RARAD Miñas’ order dated October 30, 2008.[48] Land Bank then sought the approval of its bond for that purpose.[49]

On December 4, 2008, MERALCO communicated to the CA its cancellation of Land Bank’s certificates of MERALCO stocks on November 28, 2008 and its issuance of new stock certificates in the name of Lubrica.[50]

Learning of the cancellation of its stock certificates and the transfer of its MERALCO shares in the name of Lubrica, Land Bank filed on December 12, 2008 its very urgent manifestation and omnibus motion, praying that the CA's TRO issued on December 4, 2008 be made to cover any and all acts done pursuant to the assailed order dated October 30, 2008 and the demand to comply dated October 30, 2008. Land Bank further prayed that the cancellation of its certificates of MERALCO shares be invalidated and the transfer of the shares in favor of Lubrica be quashed, and that the parties be directed to maintain the status quo ante.[51]

On December 17, 2008, Land Bank presented a very urgent motion to resolve and supplemental motion, seeking to expand the scope of the TRO earlier issued; to restrain the Philippine Stock Exchange (PSE) from allowing the trading of its (Land Bank) entire MERALCO shares, and the Corporate Secretary of MERALCO from recording or registering the transfer of ownership of Land Bank's MERALCO shares to other parties in MERALCO's stock and transfer book; to invalidate the cancellation of the certificates of MERALCO shares and to quash the transfer in favor of Lubrica and all subsequent transfers to other parties; to direct the parties and all concerned persons and entities to maintain the status quo; and to declare all acts done pursuant to the assailed order and the demand to comply null and void and of no force and effect.[52]

On December 24, 2008, the CA denied Land Bank's very urgent motion to resolve and supplemental motion.[53]

In the meantime, DAR administratively charged and preventively suspended RARAD Miñas for issuing the October 30, 2008 order, and replaced her with RARAD Marivic Casabar (RARAD Casabar) in RARAD Region IV.[54]

On December 15, 2008, RARAD Casabar recalled RARAD Miñas order dated October 30, 2008.[55]

On December 17, 2008, RARAD Casabar directed:

(a) MERALCO to cancel the stock certificates issued to Lubrica and to any of her transferees or assignees, and to restore the ownership of the shares to Land Bank and to record the restoration in MERALCO's stock and transfer book; and

(b) PSE, PDTC, STSI, the Philippine Dealing System Holdings Corporation and Subsidiaries (PDS Group), and any stockbroker, dealer, or agent of MERALCO shares to stop trading or dealing on the shares.[56]

On June 5, 2009, the CA promulgated a resolution in CA-G.R. SP No. 106104, dismissing Land Bank's petition for certiorari for being moot and academic,[57] citing the recall by RARAD Casabar of RARAD Miñas's order of October 30, 2008.

On June 23, 2009, Land Bank, through the Office of the Government Corporate Attorney, filed in this Court a motion for extension of time to file petition for review on certiorari, seeking additional time of 30 days within which to file its petition for review on certiorari.[58]

On July 24, 2009, before the Court could take any action on its motion for extension of time to file petition for review, Land Bank moved to withdraw the motion, allegedly because the CA still retained jurisdiction over CA-G.R. SP No. 106104 due to Lubrica's having meanwhile filed the following motions and papers in CA-G.R. SP No. 106104, namely:

(a) Motion for reconsideration or for clarificatory ruling dated June 23, 2009, a copy of which Land Bank received on July 2, 2009;

(b) Additional arguments in support of the motion for reconsideration and for clarificatory ruling dated July 1, 2009, a copy of which Land Bank received on July 8, 2009;

(c) Motion for leave of court to file the attached manifestation dated July 8, 2009, a copy of which Land Bank received on July 13, 2009;

(d) Manifestation dated July 8, 2009, a copy of which Land Bank received on July 13, 2009; and

(e) Motion to direct RARAD Casabar to explain why she had issued her orders of December 15, 2008 and December 17, 2008, a copy of which Land Bank received on July 20, 2009.[59]

On July 31, 2009, Land Bank filed a very urgent ex parte motion for execution dated July 30, 2009 in DARAB, seeking the execution of RARAD Casabar's orders of December 15, 2008 and December 17, 2008.[60]

On August 7, 2009, Land Bank filed in this Court: (a) a motion to withdraw its motion to withdraw motion for extension of time to file petition for review on certiorari; and (b) a motion for leave to file and to admit[61] the attached petition for review on certiorari.[62]

On September 9, 2009, the Court denied Land Bank's motion to withdraw its motion to withdraw motion for extension of time to file petition for review on certiorari, but granted Land Bank's motion for leave to file and to admit the attached petition for review on certiorari. The Court required Lubrica to comment on the petition for review, and Land Bank to comply with A.M. No. 07-6-5-SC dated July 10, 2007.[63]

On September 30, 2009, the CA denied Lubrica's motion to direct RARAD Casabar to explain why she had issued her orders of December 15, 2008 and December 17, 2008, among others.[64]

On October 14, 2009, Lubrica filed a motion for leave to file motion to dismiss,[65] stating that Land Bank's petition for certiorari had been filed out of time and that the assailed order of RARAD Miñas had been affirmed by the final judgment in DARAB v. Lubrica (G.R. No. 159145), and had been supported by the ruling in Land Bank v. Martinez, G.R. No. 169008, July 31, 2008, 560 SCRA 776.

On May 5, 2010, Land Bank filed an urgent verified motion for the issuance of a TRO or writ of preliminary injunction, seeking thereby to enjoin MERALCO, its Corporate Secretary, and its Assistant Corporate Secretary, pending the proceedings and until the resolution of the case, from releasing on May 11, 2010 and thereafter the cash dividends pertaining to the disputed shares in favor of Lubrica or any person acting on her behalf.[66]

Lubrica opposed Land Bank's motion.[67]

To date, the Court has taken no action on Land Bank's urgent verified motion.

ISSUES

Land Bank contends that:

The Court of Appeals acted not in accord with law and with the applicable jurisprudence when it dismissed the petition a quo on purely technical grounds.

A.

Contrary to the findings of the Court of Appeals, DARAB v. Lubrica is not the law of the case insofar as the issue on the proper procedure to follow in the determination of the just compensation is concerned.

B.

The issue before the Court of Appeals, whether the order dated 30 October 2008 was issued with grave abuse of discretion, has not been rendered moot and academic with the subsequent issuance of the order dated December 15, 2008.

C.

The Court of Appeals erred when it gave its implicit imprimatur to the irregular procedure for execution, which the RARAD and the DARAB sheriffs adopted, in gross violation of Republic Act No. 6657 and the DARAB Rules of Procedure.[68]

On the other hand, Lubrica proposes as issue:

Is the January 24, 2001 Decision of RARAD Conchita Miñas final and executory?[69]

As we see it, then, the Court has to resolve the following, to wit:

- Whether or not RARAD Casabar's orders dated December 15, 2008 and December 18, 2008 rendered Land Bank's petition for certiorari moot and academic;
- Whether or not RARAD Miñas' order dated October 30, 2008 was valid; and
- Whether or not the manner of execution of RARAD Miñas' order dated October 30, 2008 was lawful.

RULING

The appeal has merit.

I.

Whether or not RARAD Casabar's orders dated December 15, 2008 and December 18, 2008 rendered Land Bank's petition for certiorari moot and academic

The CA rationalized its dismissal of Land Bank's petition for certiorari in the following manner:

It must be stressed that this Court is dismissing the instant petition not because it has lost jurisdiction over the case but because the case has already become moot and academic. In other words, this Court is dismissing the case out of practicality because proceeding with the merit of the case would only be an exercise in futility. This is because whichever way this Court would later decide the case would only be rendered immaterial and ineffectual by the foregoing new Orders of the RARAD. To elaborate, a denial of the instant petition would mean that We are sustaining the Miñas' Order dated October 30, 2008 which, as matters stand right now, had been superseded by the two new orders of the RARAD. Will sustaining RARAD Miñas' Order have the effect of nullifying the two new orders of RARAD Casabar? The answer is still in the negative. On the other hand, the ultimate result of granting this petition would be that the two new Orders would still govern, which is already the prevailing situation at this point. Indeed, the dismissal of the case on this ground is in itself an exercise by the Court of its jurisdiction over the case.[70]

We cannot uphold the CA.

To the extent that it nullified and recalled RARAD Miñas' October 30, 2008 order, RARAD Casabar's December 15, 2008 order seemingly mooted Land Bank's petition for certiorari (whereby Land Bank contended that RARAD Miñas, through her order dated October 30, 2008, could not disregard or invalidate the decision promulgated on October 11, 2007 in G.R. No. 157903, and that the monies, funds, shares of stocks, and accounts of Land Bank, which did not form part of the Agrarian Reform Fund (ARF), could not be levied upon, garnished, or transferred to Lubrica in satisfaction of RARAD Miñas' January 24, 2000 decision).[71]

At first glance, indeed, RARAD Casabar's December 15, 2008 order seemingly rendered the reliefs prayed for by the petition for certiorari unnecessary and moot. An issue is said to become moot and academic when it ceases to

present a justiciable controversy, so that a declaration on the issue would be of no practical use or value.[72]

However, the application of the moot-and-academic principle is subject to several exceptions already recognized in this jurisdiction. In *David v. Macapagal-Arroyo*,^[73] the Court has declared that the moot-and-academic principle is not a magical formula that automatically dissuades courts from resolving cases, because they will decide cases, otherwise moot and academic, if they find that:

- (a) There is a grave violation of the Constitution;
- (b) The situation is of exceptional character, and paramount public interest is involved;
- (a) The constitutional issue raised requires formulation of controlling principles to guide the Bench, the Bar, and the public; or
- (b) A case is capable of repetition yet evading review.

In addition, in *Province of North Cotabato v. Government of the Republic of the Philippines Peace Panel on Ancestral Domain (GRP)*,^[74] the Court has come to consider a voluntary cessation by the defendant or the doer of the activity complained of as another exception to the moot-and-academic principle, the explanation for the exception being that:

xxx once a suit is filed and the doer voluntarily ceases the challenged conduct, it does not automatically deprive the tribunal of power to hear and determine the case and does not render the case moot especially when the plaintiff seeks damages or prays for injunctive relief against the possible recurrence of the violation.

The exception of voluntary cessation of the activity without assuring the non-recurrence of the violation squarely covers this case. Hence, the CA's dismissal of CA-G.R. SP No. 106104 on the ground of mootness must be undone.

Yet another reason why the Court should still resolve derives from the fact that the supervening RARAD Casabar's recall order did not at all resolve and terminate the controversy between the parties. The CA itself conceded that Lubrica could still assail the validity of RARAD Casabar's recall order.^[75] That possibility underscores the need to definitely resolve the controversy between the parties to avoid further delay. As herein shown, this appeal is the third time that the intervention of the Court has been invoked regarding the controversy, the earlier ones being *DARAB v. Lubrica* (G.R. No. 159145) and *Land Bank v. Suntay* (G.R. No. 157903). The need to put an end to the controversy thus becomes all the more pressing and practical.

We further discern that the parties have heretofore acted to advance their respective interests and claims against each other by relying on seemingly conflicting pronouncements made in *DARAB v. Lubrica* (G.R. No. 159145) and *Land Bank v. Suntay* (G.R. No. 157903). Their reliance has unavoidably spawned and will continue to spawn confusion about their rights and can occasion more delays in the settlement of their claims.

The Court does not surely desire confusion and delay to intervene in any litigation, because the Court only aims to ensure to litigants a just, speedy, and inexpensive administration of justice. Thus, the Court feels bound to undo the CA's deeming Land Bank's petition for certiorari mooted by RARAD Casabar's recall order. Verily, RARAD Miñas' assailed order, until and unless its legality is declared and settled by final judgment, may yet be revived, and the judicial dispute between the parties herein may then still resurrect itself.

II.

Whether or not RARAD Miñas' order dated October 30, 2008 was valid

The controversy is traceable to the October 30, 2005 Order of RARAD Miñas directing the DARAB sheriffs to resume the implementation of the alias writ of execution she had issued in DARAB Case No. V-0405-0001-00. She predicated her order on the following pronouncement made in *Land Bank v. Martinez*,^[76] viz:

To resolve the conflict in the rulings of the Court, we now declare herein, for the guidance of the bench and the bar, that the better rule is that stated in *Philippine Veterans Bank*, reiterated in *Lubrica* and in the August 14, 2007 Decision in this case. Thus, while a petition for the fixing of just compensation with the SAC is not an appeal from the agrarian reform adjudicator's decision but an original action, the same has to be filed within the 15-day period stated in the DARAB Rules; otherwise, the adjudicator's decision will attain finality. This rule is not only in accord with law and settled jurisprudence but also with the principles of justice and equity. Verily, a belated petition before the SAC, e.g., one filed a month, or a year, or even a decade after the land valuation of the DAR adjudicator, must not leave the dispossessed landowner in a state of uncertainty as to the true value of his property.^[77]

Land Bank contends, however, that *Land Bank v. Martinez* did not vary, alter, or disregard the judgment in *Land Bank v. Suntay* (G.R. No. 157903).

Lubrica counters that instead of *Land Bank v. Suntay* (G.R. No. 157903) being applicable, it was *DARAB v. Lubrica* (G.R. No. 159145) that had become immutable and unalterable.

Lubrica is grossly mistaken.

Through the resolution promulgated on January 30, 2008 in *Land Bank v. Suntay* (G.R. No. 157903), the Court denied with finality *Suntay's* motion for reconsideration filed against the October 11, 2007 decision. The decrees in *Land Bank v. Suntay* (G.R. No. 157903) were to nullify the order dated January 18, 2002 (denying due course to *Land Bank's* notice of appeal of the dismissal of its petition for determination of just compensation upon *Suntay's* motion to dismiss) and the order dated March 8, 2002 (denying *Land Bank's* motion for reconsideration), both issued by the RTC in Agrarian Case No. R-1241; and to order the RTC to "conduct further proceedings to determine the just compensation of (*Suntay's*) expropriated property in accordance with the guidelines set by this Court in *Landbank of the Philippines v. Banal*."

In effect, *Land Bank v. Suntay* (G.R. No. 157903) set aside the decision of RARAD Miñas dated January 24, 2000 fixing the just compensation. The finality of the judgment in *Land Bank v. Suntay* (G.R. No. 157903) meant that the decrees thereof could no longer be altered, modified, or reversed even by the Court en banc. Nothing is more settled in law than that a judgment, once it attains finality, becomes immutable and unalterable, and can no longer be modified in any respect, even if the modification is meant to correct what is perceived to be an erroneous conclusion of fact or law, and regardless of whether the modification is attempted to be made by the court rendering it or by the highest court of the land.^[78] This rule rests on the principle that all litigation must come to an end, however unjust the result of error may appear; otherwise, litigation will become even more intolerable than the wrong or injustice it is designed to correct.^[79]

Resultantly, *Lubrica* cannot invoke the pronouncement in *Land Bank v. Martinez* in order to bar the conclusive effects of the judicial result reached in *Land Bank v. Suntay* (G.R. No. 157903).

II.a.

Land Bank v. Suntay (G.R. No. 157903)
is now the law of the case

We underscore that *Land Bank v. Suntay* (G.R. No. 157903) was the appropriate case for the determination of the issue of the finality of the assailed RARAD Decision by virtue of its originating from *Land Bank's* filing on April 20, 2001 of its petition for judicial determination of just compensation against *Suntay* and RARAD Miñas in the

RTC sitting as a Special Agrarian Court. Therein, Suntay filed a motion to dismiss mainly on the ground that the petition had been filed beyond the 15-day reglementary period as required by Section 11, Rule XIII of the Rules of Procedure of DARAB. After the RTC granted the motion to dismiss, Land Bank appealed to the CA, which sustained the dismissal. As a result, Land Bank came to the Court (G.R. No. 157903), and the Court then defined the decisive issue to be: “whether the RTC erred in dismissing the Land Bank’s petition for the determination of just compensation.”[80]

The Court ruled in favor of Land Bank. For both Land Bank and Suntay (including his assignee Lubrica), the holding in *Land Bank v. Suntay* (G.R. No. 157903) became the law of the case that now controlled the course of subsequent proceedings in the RTC as a Special Agrarian Court. In *Cucueco v. Court of Appeals*,[81] the Court defined law of the case as “the opinion delivered on a former appeal.” Law of the case is a term applied to an established rule that when an appellate court passes on a question and remands the case to the lower court for further proceedings, the question there settled becomes the law of the case upon subsequent appeal. It means that whatever is once irrevocably established as the controlling legal rule or decision between the same parties in the same case continues to be the law of the case, whether correct on general principles or not, so long as the facts on which such decision was predicated continue to be the facts of the case before the court.[82] With the pronouncement in G.R. No. 157903 having undeniably become the law of the case between the parties, we cannot pass upon and rule again on the same legal issue between the same parties.

II.b.

Land Bank v. Martinez is neither applicable nor binding on the parties herein

Suntay’s reliance on *Land Bank v. Martinez* (G.R. No. 169008, July 31, 2008, 560 SCRA 776) is unavailing for the simple reason that the pronouncement was absolutely unrelated to the present controversy.

Land Bank v. Martinez concerned a different set of facts, a different set of parties, and a different subject matter; it was extraneous to the present matter, or to *DARAB v. Lubrica* (G.R. No. 159145) and *Land Bank v. Suntay* (G.R. No. 157903). *Land Bank* and Suntay (and his assignee Josefina Lubrica) were not parties in *Land Bank v. Martinez*, rendering the pronouncement inapplicable to them now.

At best, *Land Bank v. Martinez* may only guide the resolution of similar controversies, but only prospectively. We note that *Land Bank v. Suntay* (G.R. No. 157903) was promulgated in October 11, 2007, while *Land Bank v. Martinez* was promulgated on July 31, 2008. The rule followed in this jurisdiction is that a judicial interpretation that varies from or reverses another is applied prospectively and should not apply to parties who relied on the old doctrine and acted in good faith. To hold otherwise is to deprive the law of its quality of fairness and justice, for, then, there is no recognition of what had transpired prior to such adjudication.[83]

Accordingly, if posterior changes in doctrines of the Court cannot retroactively be applied to nullify a prior final ruling in the same proceeding where the prior adjudication was had,[84] we have stronger reasons to hold that such changes could not apply to a different proceeding with a different set of parties and facts.

Suntay is also incorrect to insinuate that a modification or reversal of a final and executory decision rendered by a division of the Court would be valid only if done by the Court en banc.[85] Such insinuation runs afoul of the well settled doctrine of immutability of judgments. Moreover, although Article VIII, Section 4 (1) of the Constitution gives the Court the discretion to sit either en banc or in divisions of three, five, or seven Members,[86] the divisions are not considered separate and distinct courts. Nor is a hierarchy of courts thereby established within the Supreme Court, which remains a unit notwithstanding that it also works in divisions. The actions taken and the decisions rendered by any of the divisions are those of the Court itself, considering that the divisions are not

considered separate and distinct courts but as divisions of one and the same court.[87] Lastly, the only thing that the Constitution allows the banc to do in this regard is to reverse a doctrine or principle of law laid down by the Court en banc or in division.[88]

II.c.

Pronouncement in DARAB v. Lubrica

(G.R. No. 159145) was a mere obiter dictum

In Department of Agrarian Reform Adjudication Board (DARAB) v. Lubrica (G.R. No. 159145), the DARAB assigned as erroneous in its petition the following rulings of the CA: (a) that DARAB, being a formal party, should not have filed a comment to the petition, for, instead, the comment should have been filed by co-respondent Land Bank as the financial intermediary of CARP; (b) that DARAB had no jurisdiction over DSCA 0252, a special civil action for certiorari; and (c) that the writ of preliminary injunction DARAB had issued in DSCA 0252 was null and void for having been in violation of the TRO of the CA.[89]

It is evident that the only issues considered and resolved in DARAB v. Lubrica (G.R. No. 159145) were: (a) the personality of DARAB to participate and file comment; (b) the jurisdiction of DARAB over petitions for certiorari; and (c) the validity of the preliminary injunction it issued. It is equally evident that at no time in DARAB v. Lubrica (G.R. No. 159145) did the finality of RARAD Miñas' decision become the issue, precisely because the finality of RARAD Miñas' decision had been put in issue instead in Land Bank v. Suntay (G.R. No. 157903), a suit filed ahead of DARAB v. Lubrica (G.R. No. 159145). In short, the question about the finality of RARAD Miñas' decision was itself the *lis mota* in Land Bank v. Suntay (G.R. No. 157903).

In view of the foregoing, Suntay's invocation of the pronouncement in DARAB v. Lubrica (G.R. No. 159145), to the effect that RARAD Miñas' decision had attained finality upon the failure of Land Bank to appeal within the 15-day reglementary period, was unfounded and ineffectual because the pronouncement was a mere obiter dictum.

An obiter dictum has been defined as an opinion expressed by a court upon some question of law that is not necessary in the determination of the case before the court. It is a remark made, or opinion expressed, by a judge, in his decision upon a cause by the way, that is, incidentally or collaterally, and not directly upon the question before him, or upon a point not necessarily involved in the determination of the cause, or introduced by way of illustration, or analogy or argument.[90] It does not embody the resolution or determination of the court, and is made without argument, or full consideration of the point.[91] It lacks the force of an adjudication, being a mere expression of an opinion with no binding force for purposes of *res judicata*. [92]

II.d.

Suntay was estopped from denying

being aware of existence of the judgment

in Land Bank v. Suntay (G.R. No. 157903)

Suntay cannot deny or evade the adverse effect and conclusiveness of the adverse decision in Land Bank v. Suntay (G.R. No. 157903). He was aware of it due to his having actively participated therein. In the RTC, he had filed the motion to dismiss against Land Bank's petition for determination of just compensation. In the CA, he filed a motion for reconsideration against the adverse decision of the CA, which ultimately favored him by reconsidering the adverse decision. In this Court, he actively defended the CA's self-reversal, including filing an omnibus motion for partial reconsideration/clarification after the Court rendered its decision dated October 11, 2007. In view of his active participation in various stages, he cannot now turn his back on the judgment in Land Bank v. Suntay (G.R. No. 157903) simply because it was adverse to him in order to invoke instead the

“favorable” ruling in DARAB v. Lubrica (G.R. No. 159145).

III.

Whether or not the manner of execution of
RARAD Miñas’ order dated October 30, 2008 was lawful

The writs of execution issued by RARAD Miñas and the manner of their enforcement by the DARAB sheriffs did not accord with the applicable law and the rules of DARAB; hence, they were invalid and ineffectual.

III.a.

Order of October 30, 2008 to resume execution
was invalid because there was nothing to resume

In *Land Bank v. Suntay* (G.R. No. 157903), the Court directed the parties on October 24, 2005 to maintain the status quo prior to the issuance of the alias writ of execution, holding that all actions done in compliance or in connection with the alias writ of execution were “DEEMED QUASHED, and therefore, of no force and effect.”[93]

On October 25, 2005, RARAD Miñas herself quashed the acts done pursuant to her writ of execution, declaring that “all actions done in compliance or in connection with the xxx Writ” issued by her “are DEEMED QUASHED, and therefore, of no force and effect.”[94]

As a result, the following acts done in compliance with or pursuant to the writ of execution issued ex parte by RARAD Miñas on September 14, 2005 were expressly quashed and rendered of no force and effect, to wit:

- The DARAB sheriffs’ issuance on September 15, 2005 of (a) the notice of demand against Land Bank; (b) the notice of levy on September 21, 2005 to Land Bank; (c) the notice of levy on September 28, 2005 to Bank of the Philippine Islands and to Hongkong Shanghai Bank Corporation; and (d) an order to deliver on October 5, 2005, addressed to Land Bank, “so much of the funds” in its custody “sufficient to satisfy the final judgment;”
- The holding by the DARAB sheriffs of the public auction sale on October 24, 2005 involving the levied PLDT and MERALCO shares of stock of Land Bank at the Office of the Regional Clerk of DARAB in Mandaluyong City, wherein Lubrica was the highest bidder;
- The resumption on October 25, 2005 by the DARAB sheriffs of the public auction sale of some of Land Bank’s remaining PLDT shares and First Gen Corp. bonds, wherein Lubrica was also declared the highest bidder; and
- The issuance on October 25, 2005 by the DARAB sheriffs of two certificates of sale in favor of Lubrica as the highest bidder.

In view of the foregoing, the order issued on October 30, 2008 by RARAD Miñas directing the DARAB sheriffs to “resume the interrupted executions of the Alias Writ issued xxx on September 14, 2005”[95] was not legally effective and valid because there was no longer any existing valid prior acts or proceedings to resume enforcement or execution of.

Consequently, the following acts done by virtue of RARAD Miñas’ October 30, 2008 order to resume the implementation of the September 15, 2005 writ of execution were bereft of factual and legal bases, to wit:

- The DARAB sheriffs’ service on PDTC and STSI of a demand to comply dated October 30, 2008;
- Letter of PDTC dated October 31, 2008 informing Land Bank of the demand to comply and the action it had taken, and requesting Land Bank to “uplift” the securities;

- PDTC's manifestation and compliance dated October 31, 2008 filed in the office of the RARAD, Region IV, stating, among others, that PDTC had already "issued a written notice" to Land Bank "to uplift the assets involved" and that PDTC "has caused the subject assets to be outside the disposition" of Land Bank; and

- MERALCO's cancellation on November 28, 2008 of Land Bank's 42,002,750 shares, its issuance of new stock certificates in the name of Lubrica, and its subsequent recording of the transfer of ownership of the stocks in the company's stock and transfer book.

III.b.

Levy of Land Bank's MERALCO shares was void and ineffectual

A further cause that invalidated the execution effected against Land Bank's MERALCO shares derived from the statutory and reglementary provisions governing the payment of any award for just compensation. At the outset, we hold that Land Bank's liability under the CARP was to be satisfied only from the ARF.

The ARF was first envisioned in Proclamation No. 131 issued on July 22, 1987 by President Aquino to institute the Government's centerpiece Comprehensive Agrarian Reform Program, to wit:

Section 2. Agrarian Reform Fund. - There is hereby created a special fund, to be known as the Agrarian Reform fund, an initial amount of FIFTY BILLION PESOS (P50,000,000,000.00) to cover the estimated cost of the Comprehensive Agrarian Reform Program from 1987 to 1992 which shall be sourced from the receipts of the sale of the assets of the Asset Privatization Trust receipts of ill-gotten wealth received through the Presidential Commission on Good Government and such other sources as government may deem appropriate. The amounts collected and accruing to this special fund shall be considered automatically appropriated for the purpose authorized in this proclamation.

Executive Order No. 229 implemented the creation of the ARF, viz:

Section 20. Agrarian Reform Fund. - As provided in Proclamation No. 131 dated July 22, 1987, a special fund is created, known as The Agrarian Reform Fund, an initial amount of FIFTY BILLION PESOS (P50 billion) to cover the estimated cost of the CARP from 1987 to 1992 which shall be sourced from the receipts of the sale of the assets of the Asset Privatization Trust (APT) and receipts of the sale of ill-gotten wealth recovered through the Presidential Commission on Good Government and such other sources as government may deem appropriate. The amount collected and accruing to this special fund shall be considered automatically appropriated for the purpose authorized in this Order.

In enacting the CARL, Congress adopted and expanded the ARF, providing in its Section 63, as follows:

Section 63. Funding Source.- The initial amount needed to implement this Act for the period of ten (10) years upon approval hereof shall be funded from the Agrarian Reform Fund created under Sections 20 and 21 of Executive Order No. 229. Additional amounts are hereby authorized to be appropriated as and when needed to augment the Agrarian Reform Fund in order to fully implement the provisions of this Act.

Sources of funding or appropriations shall include the following:(a) Proceeds of the sales of the Assets Privatization Trust;

(b) All receipts from assets recovered and from sale of ill-gotten wealth recovered through the Presidential Commission on Good Government;

(c) Proceeds of the disposition of the properties of the Government in foreign countries;

(d) Portion of amounts accruing to the Philippines from all sources or official foreign aid grants and concessional financing from all countries, to be used for the specific purposes of financing production credits,

infrastructures, and other support services required by this Act;

(e) Other government funds not otherwise appropriated.

All funds appropriated to implement the provisions of this Act shall be considered continuing appropriations during the period of its implementation. (emphases supplied)

Subsequently, Republic Act No. 9700 amended the CARL in order to strengthen and extend the CARP. It is notable that Section 21 of Republic Act No. 9700 expressly provided that “all just compensation payments to landowners, including execution of judgments therefore, shall only be sourced from the Agrarian Reform Fund;” and that “just compensation payments that cannot be covered within the approved annual budget of the program shall be chargeable against the debt service program of the national government, or any unprogrammed item in the General Appropriations Act.”

The enactments of the Legislature decreed that the money to be paid to the landowner as just compensation for the taking of his land is to be taken only from the ARF. As such, the liability is not the personal liability of Land Bank, but its liability only as the administrator of the ARF. In fact, Section 10, Rule 19 of the 2003 DARAB Rules of Procedure, reiterates that the satisfaction of a judgment for just compensation by writ of execution should be from the ARF in the custody of Land Bank, to wit:

Section 10. Execution of judgments for Just Compensation which have become Final and Executory. – The Sheriff shall enforce a writ of execution of a final judgment for compensation by demanding for the payment of the amount stated in the writ of execution in cash and bonds against the Agrarian Reform Fund in the custody of LBP [Land Bank of the Philippines] in accordance with RA 6657 xxx. (Emphases supplied)

Consequently, the immediate and indiscriminate levy by the DARAB sheriffs of Land Bank’s MERALCO shares, without first determining whether or not such assets formed part of the ARF, disregarded Land Bank’s proprietary rights in its own funds and properties.

The prior determination of whether the asset of Land Bank sought to be levied to respond to a judgment liability under the CARP in favor of the landowner was demanded by its being a banking institution created by law,[96] possessed with universal or expanded commercial banking powers[97] by virtue of Presidential Decree No. 251.[98] As a regular bank, Land Bank is under the supervision and regulation of the Bangko Sentral ng Pilipinas.[99] Being the official depository of Government funds, Land Bank is also invested with duties and responsibilities related to the implementation of the CARP, mainly as the administrator of the ARF.[100] Given its discrete functions and capacities under the laws, Land Bank’s assets and properties must necessarily come under segregation, namely: (a) those arising from its proprietary functions as a regular banking or financial institution; and (b) those arising from its being the administrator of the ARF. Indeed, Executive Order No. 267 has required Land Bank to segregate accounts,[101] to wit: (a) corporate funds, which are derived from its banking operations and are essentially moneys held in trust for its depositors as a financial banking institution; and (b) ARF, which comprise funds and assets expressly earmarked for or appropriated under the CARL to pay final awards of just compensation under the CARP.[102]

Suntay argues that the MERALCO shares of Land Bank were part of the ARF, submitting photocopied documents showing Land Bank to be one of the top stockholders of MERALCO under Land Bank’s account number 1100052533.[103]

Land Bank disputes Suntay’s argument, positing that its levied MERALCO shares, particularly those covered by Stock Certificate No. 87265, Stock Certificate No. 664638, Stock Certificate No. 0707447 and Stock Certificate No. 0707448 that were cancelled and transferred in favor of Lubrica, did not form part of the ARF. It explains that

there are three different accounts relative to its MERALCO shares, to wit: (a) Trust Account No. 03-141, which was the subject of a Custodianship Agreement it had with the Asset Privatization Trust (APT); (b) Account titled “FAO PCGG ITF MFI”, which was the subject of a Custodial Safekeeping Agreement between Land Bank and the Three-Man Board for the MERALCO Privatization (c/o PCGG); and (c) LBP Proprietary Account with PCD Nominee Corporation involving Stock Certificate No. 87265, Stock Certificate No. 664638, Stock Certificate No. 0707447 and Stock Certificate No. 0707448. It insists that the LBP Proprietary Account was not part of the ARF, and that its shares covered by Stock Certificate No. 87265, Stock Certificate No. 664638, Stock Certificate No. 0707447, and Stock Certificate No. 0707448 had been acquired or obtained in the exercise of its proprietary function as a universal bank.[104]

Land Bank presented copies of the Custodianship Agreement with the APT, the Custodial Safekeeping Agreement with the Three-Man Board for the MERALCO Privatization (c/o PCGG), and the joint affidavit of Land Bank’s officers.

In light of the clarifications by Land Bank, the Court concludes that the procedure of execution adopted by the DARAB sheriffs thoroughly disregarded the existence of Land Bank’s proprietary account separate and distinct from the ARF. The procedure thereby contravened the various pertinent laws and rules earlier adverted to and which the DARAB sheriffs were presumed to be much aware of, denying to the DARAB sheriffs any presumption in the regularity of their performance of their duties.

Also significant is that Section 20 of Executive Order No. 229 has mandated that the ARF “shall be sourced from the receipts of the sale of the assets of the APT and receipts of the sale of ill-gotten wealth recovered through the PCGG and such other sources as government may deem appropriate;” and that Section 63 of the CARL has authorized that additional amounts be appropriated as and when needed to augment the ARF.

It should not be difficult to see the marked distinction between proceeds or receipts, on one hand, and asset or wealth derived from such proceeds or receipts, on the other hand. The term proceeds refers to “the amount proceeding or accruing from some possession or transaction,”[105] and is synonymous to product, income, yield, receipts, or returns.[106] Clearly, therefore, the ARF was sourced from the money or cash realized either from the sale of or as income from the assets or properties held by the APT or the PCGG. The levied MERALCO shares were neither proceeds nor receipts. Thus, the DARAB sheriffs had no authority to indiscriminately levy such shares because they were clearly not part of the ARF.

Moreover, the DARAB sheriffs did not strictly comply with the rule in force at the time of their execution of the writ of execution and the alias writ of execution, which was Section 10, Rule 19 of the 2003 DARAB Rules of Procedure, viz:

Section 10. Execution of judgments for Just Compensation Which Have Become Final and Executory. – The Sheriff shall enforce a writ of execution of a final judgment for compensation by demanding for the payment of the amount stated in the writ of execution in cash and bonds against the Agrarian Reform Fund in the custody of LBP [Land Bank of the Philippines] in accordance with RA 6657, and the LBP shall pay the same in accordance with the final judgment and the writ of execution within five (5) days from the time the landowner accordingly executes and submits to the LBP the corresponding deed/s of transfer in favor of the government and surrenders the muniments of title to the property in accordance with Section 15 (c) of RA 6657. (Emphasis supplied)

As the rule reveals, a condition was imposed before Land Bank could be made to pay the landowner by the sheriff. The condition was for Suntay as the landowner to first submit to Land Bank the corresponding deed of transfer in favor of the Government and to surrender the muniments of the title to his affected property. Yet, by immediately and directly levying on the shares of stocks of Land Bank and forthwith selling them at a public

auction to satisfy the amounts stated in the assailed writs without first requiring Suntay to comply with the condition, the DARAB sheriffs unmitigatedly violated the 2003 DARAB Rules of Procedure.

Relevantly, Section 18 of the CARL, which Section 10 of the 2003 DARAB Rules of Procedure implements, has expressly listed the modes by which the landowner may choose to be paid his just compensation, thus:

Section 18. Valuation and Mode of Compensation. - The LBP shall compensate the landowner in such amount as may be agreed upon by the landowner and the DAR and LBP or as may be finally determined by the court as just compensation for the land.

The compensation shall be paid in one of the following modes at the option of the landowner:

(1) Cash payment, under the following terms and conditions:

(a) For lands above fifty (50) hectares, insofar as the excess hectarage is concerned - Twenty-five percent (25%) cash, the balance to be paid in government financial instruments negotiable at any time.

(b) For lands above twenty-four hectares and up to fifty (50) hectares - Thirty percent (30%) cash, the balance to be paid in government financial instruments negotiable at any time.

(c) For lands twenty-four (24) hectares and below - Thirty-five percent (35%) cash, the balance to be paid in government financial instruments negotiable at any time.

(2) Shares of stock in government-owned or controlled corporations, LBP preferred shares, physical assets or other qualified investments in accordance with guidelines set by the PARC;

(3) Tax credits which can be used against any tax liability;

(4) LBP bonds, which shall have the following features:

(a) Market interest rates aligned with 91-day treasury bill rates. Ten percent (10%) of the face value of the bonds shall mature every year from the date of issuance until the tenth (10th) year: Provided, That should the landowner choose to forego the cash portion, whether in full or in part, he shall be paid correspondingly in LBP bonds;

(b) Transferability and negotiability. Such LBP bonds may be used by the landowner, his successors-in-interest or his assigns, up to the amount of their face value for any of the following:

(i) Acquisition of land or other real properties of the government, including assets under the Assets Privatization Program and other assets foreclosed by government financial institution in the same province or region where the lands for which the bonds were paid are situated;

(ii) Acquisition of shares of stock of government-owned or controlled corporations or shares or stock owned by the government in private corporations;

(iii) Substitution for surety or bail bonds for the provisional release of accused persons, or for performance bonds;

(iv) Security for loans with any government financial institution, provided the proceeds of the loans shall be invested in an economic enterprise, preferably in a small and medium-scale industry, in the same province or region as the land for which the bonds are paid;

(v) Payment for various taxes and fees to the government: Provided, That the use of these bonds for these purposes will be limited to a certain percentage of the outstanding balance of the financial instrument: Provided, further, That the PARC shall determine the percentages mentioned above;

(vi) Payment for tuition fees of the immediate family of the original bondholder in government universities,

colleges, trade schools and other institutions;

(vii) Payment for fees of the immediate family of the original bondholder in government hospitals; and

(viii) Such other uses as the PARC may from time to time allow.

In case of extraordinary inflation, the PARC shall take appropriate measures to protect the economy. (Emphases supplied)

We note that the DARAB sheriffs' method of execution did not adhere to any of the legally-authorized modes, to the extreme detriment of Land Bank.

Still, Suntay proposes that the resort to levying on the MERALCO shares of Land Bank was necessary, considering that it was Land Bank alone that had the control of the ARF.

The proposition is not only incorrect but also dangerous.

To start with, Land Bank could not simply shirk from or evade discharging its obligations under the CARP because the law mandated Land Bank with a positive duty.^[107] The performance of its ministerial duty to fully pay a landowner the just compensation could subject its officials responsible for the non-performance to punishment for contempt of court.

And, secondly, tolerating the irregular execution carried out by the DARAB sheriffs would be dangerous to the viability of Land Bank as a regular banking institution as well as the administrator of the ARF. The total claim of Suntay under the assailed RARAD decision was only P157.5 million, but the worth of Land Bank's 53,557,257 MERALCO shares, 912,230 PLDT shares and First Gen Corporation bonds auctioned off by the DARAB sheriffs at P1.00 /share for the total of only P53,557,257.00 was probably about P841 million. If that probable worth was true, the levy and execution were patently unconscionable and definitely worked against the interest of the Government represented by Land Bank.

Further, Suntay complains of the delay in the payment of just compensation due to him.

The Court finds that Suntay has only himself to blame. As early as in 2005 *Land Bank v. Suntay* (G.R. No. 157903) already opened the way for the RTC to determine the just compensation in Agrarian Case No. R-1241. Had he ensured the speedy disposition of Agrarian Case No. R-1241 in the RTC, he would not now be complaining.

IV.

Land Bank is entitled to all
dividends pertaining to the
invalidly levied shares of MERALCO

As earlier mentioned, Land Bank filed on May 5, 2010 an urgent verified motion for the issuance of a TRO or writ of preliminary injunction to enjoin MERALCO, its Corporate Secretary, and its Assistant Corporate Secretary, pending the proceedings and until the resolution of the case, from releasing the cash dividends pertaining to the disputed shares in favor of Lubrica or any person acting on her behalf.

Although the Court did not resolve the motion, it is time to look into the matter in light of the foregoing conclusions.

The Court has to declare as a necessary consequence of the foregoing conclusions that Land Bank remained fully entitled to all the cash and other dividends accruing to the MERALCO shares levied and sold by the DARAB sheriffs pursuant to the orders issued on September 14, 2005 and October 30, 2008 by RARAD Miñas, as if no

levy and sale of them were made. In this connection, the Court affirms and reiterates the order issued on October 25, 2005 by RARAD Miñas (deeming to be quashed and of no force and effect “all actions done in compliance or in connection with” the writ of execution issued by her),^[108] and the order issued on December 17, 2008 by RARAD Casabar directing:

(c) MERALCO to cancel the stock certificates issued to Lubrica and to any of her transferees or assignees, and to restore the ownership of the shares to Land Bank and to record the restoration in MERALCO’s stock and transfer book; and

(d) PSE, PDTC, STSI, the Philippine Dealing System Holdings Corporation and Subsidiaries (PDS Group), and any stockbroker, dealer, or agent of MERALCO shares to stop trading or dealing on the shares.^[109]

WHEREFORE, we GRANT the petition for review on certiorari, and REVERSE the Decision promulgated June 5, 2009 in CA-G.R. SP No. 106104.

ACCORDINGLY, the Court:

(a) DIRECTS the Regional Trial Court, Branch 46, in San Jose, Occidental Mindoro to continue the proceedings for the determination of the just compensation of Federico Suntay’s expropriated property in Agrarian Case No. R-1241;

(b) QUASHES and NULLIFIES the orders issued in DARAB Case No. V-0405-0001-00 on September 14, 2005 (granting Suntay’s ex parte motion for the issuance of an alias writ of execution) and October 30, 2008 by RARAD Conchita C. Miñas (directing the DARAB sheriffs “to resume the interrupted execution of the Alias Writ in this case on September 14, 2005”), and all acts performed pursuant thereto;

(c) AFFIRMS and REITERATES the order issued on October 25, 2005 by RARAD Miñas (deeming to be quashed and of no force and effect “all actions done in compliance or in connection with” the writ of execution issued by her), and the order issued on December 17, 2008 by RARAD Marivic Casabar (directing MERALCO to cancel the stock certificates issued to Josefina Lubrica and to any of her transferees or assignees, and to restore the ownership of the shares to Land Bank and to record the restoration in MERALCO’s stock and transfer book; and the Philippine Stock Exchange, Philippine Depository and Trust Corporation, Securities Transfer Services, Inc., and the Philippine Dealing System Holdings Corporation and Subsidiaries (PDS Group), and any stockbroker, dealer, or agent of MERALCO shares to stop trading or dealing on the shares);

(d) DECLARES Land Bank fully entitled to all the dividends accruing to its levied MERALCO shares of stocks as if no levy on execution and auction were made involving such shares of stocks;

(e) COMMANDS the Integrated Bar of the Philippines to investigate the actuations of Atty. Conchita C. Miñas in DARAB Case No. V-0405-0001-00, and to determine if she was administratively liable as a member of the Philippine Bar; and

(f) ORDERS the Department of Agrarian Reform Adjudication Board to conduct a thorough investigation of the sheriffs who participated in the irregularities noted in this Decision, and to proceed against them if warranted.

Costs against the respondent.

SO ORDERED.

Corona, C.J., (Chairperson), Leonardo-De Castro, Del Castillo, and Villarama, Jr., JJ., concur.

- [1] G.R. No. 157903, October 11, 2007, 535 SCRA 605.
- [2] *Id.*, pp. 607-609.
- [3] *Id.*
- [4] Department of Agrarian Reform Adjudication Board v. Lubrica, G.R. No. 159145, April 29, 2005, 457 SCRA 800, 805.
- [5] *Id.*
- [6] *Supra* at note 1, pp. 608-609.
- [7] *Supra* at note 4, pp. 806-807.
- [8] *Id.*, p. 807.
- [9] *Id.*, pp. 807-808.
- [10] *Id.*, p. 808.
- [11] *Id.*, pp. 808-809.
- [12] *Id.*, p. 814.
- [13] *Supra* at note 1, p. 609.
- [14] *Id.*, pp. 609-610.
- [15] *Id.*, p. 610.
- [16] *Id.*, pp. 610-611.
- [17] *Id.*
- [18] *Id.*, p. 611.
- [19] Rollo, pp. 284-305.
- [20] *Supra*, note 1, p. 612.
- [21] *Supra*, note 1, pp. 612-617.
- [22] Emphases are part of the original text.
- [23] Rollo, pp. 357-374.
- [24] *Id.*, p. 112.
- [25] In *DARAB v. Lubrica*, cited at note 4, the Court, in addition to declaring that DARAB had no jurisdiction over a petition for certiorari, commented that:
- “In the instant case, Land Bank received a copy of the RARAD order denying its motion for reconsideration on March 26, 2001. Land Bank filed the petition for just compensation with the special agrarian court only on April 20, 2001, which is doubtlessly beyond the fifteen-day reglementary period. Thus, the RARAD Decision had already attained finality in accordance with the above-quoted rule, notwithstanding Land Bank’s recourse to the special agrarian court.”
- [26] Rollo, pp. 311-312.

- [27] Id., p. 313.
- [28] Id., pp. 314-315.
- [29] Id., pp. 316-317.
- [30] Id., pp. 318-319.
- [31] Id., p. 347.
- [32] Id., p. 349.
- [33] Id., p. 351.
- [34] Id., p. 352.
- [35] Id., pp. 355-356.
- [36] Supra at note 1, p. 617.
- [37] Rollo, pp. 375-378.
- [38] Id., p. 390.
- [39] Id., pp. 401-402.
- [40] Id., pp. 399-400.
- [41] Id., pp. 395-398.
- [42] Id., pp. 409-413.
- [43] Id., pp. 414-415.
- [44] Id., pp. 416-417.
- [45] Id., pp. 418-474.
- [46] Id., pp. 481-496.
- [47] Id., pp. 590-591.
- [48] Id., pp. 497-498.
- [49] Id., pp. 499-506.
- [50] Id., pp. 590-591.
- [51] Id., pp. 548-562.
- [52] Id., pp. 563-574.
- [53] Id., pp. 585-589.
- [54] Id., p. 120.
- [55] Id., pp. 593-597.
- [56] Id., pp. 598-601.
- [57] Id., pp. 173-188.

[58] *Id.*, pp. 3-7.

[59] *Id.*, pp. 65-71.

[60] *Id.*, pp. 604-613

[61] *Id.*, pp. 76-83.

[62] *Id.*, pp. 84-165.

[63] *Id.*, pp. 614-615.

[64] *Id.*, pp. 649-651 (penned by Associate Justice Mariflor Punzalan-Castillo, and concurred in by Associate Justice Rosmari Carandang and Associate Justice Marlene Gonzales-Sison).

[65] *Id.*, pp. 621-625.

[66] *Rollo*, pp. 808-836.

[67] *Id.*, pp. 889-915.

[68] *Id.*, pp. 127-128.

[69] *Id.*, p. 687.

[70] *Id.*, p. 185 (bold emphasis supplied).

[71] *Rollo*, pp. 439-440.

[72] *Banco Filipino Savings and Mortgage Bank v. Tuazon, Jr.*, G.R. No. 132795, March 10, 2004, 425 SCRA 129, 134.

[73] G.R. Nos. 171396, 171400, 171409, 171483, 171485, 171489, and 171424, May 3, 2006, 489 SCRA 160, 214-215.

[74] G.R. Nos. 183591, 183752, 183893, 183951 and 183962, October 14, 2008, 568 SCRA 402, 461, citing *US v. W.T. Grant Co.*, 345 U.S. 629 (1953); *US v. Trans-Missouri Freight Assn*, 166 U.S. 290, 308-310 (1897); *Walling v. Helmerich & Payne, Inc.*, 323 U.S. 37, 43 (1944); *Gray v. Sanders*, 372 U.S. 368, 376 (1963); *Defunis v. Odegaard*, 416 U.S. 312 (1974).

[75] *Rollo*, p. 186.

[76] G.R. No. 169008, July 31, 2008, 560 SCRA 776, 783.

[77] Italicized portions are part of the original decision.

[78] *Gallardo-Corro v. Gallardo*, G.R. No. 136228, January 30, 2001, 350 SCRA 568, 578.

[79] *Torres v. Sison*, G.R. No. 119811, August 30, 2001, 364 SCRA 37, 43.

[80] *Supra* at note 1, pp. 612-613.

[81] G.R. No. 139278, October 25, 2004, 441 SCRA 290.

[82] *Id.*, pp. 300-301.

[83] *Bersamin, Appeal and Review in the Philippines*, 2nd Edition, Central Professional Books, Inc., Quezon City, pp. 223-224.

[84] *Lopez v. Northwest Airlines, Inc.*, G.R. No. 106973, June 17, 1993, 223 SCRA 469, 477.

[85] Paragraph 3.03g. of the respondent's Comment on Petition for Review on Certiorari (Rollo, p. 688) alleges:

3.03.g. Having become final and executory, *DARAB v. Lubrica* has become immutable and unalterable. Any subsequent attempt to modify or reverse the said decision would not only be ineffectual but unconstitutional, unless it is by the Supreme Court sitting en banc.

"xxx Provided, that no doctrine or principle of law laid down by the court in a decision rendered en banc or in division may be modified or reversed except by the court sitting en banc."

[86] Section 4(1), Article VIII of the 1987 Constitution provides:

Section 4 (1). The Supreme Court shall be composed of a Chief Justice and fourteen Associate Justices. It may sit en banc or, in its discretion, in divisions of three, five or seven Members. xxx. (Emphasis supplied)

[87] *United States v. Limsiongco*, 41 Phil 94 (1920).

[88] Section 4(3), Article VIII of the 1987 Constitution says:

xxx

(3) Cases or matters heard by a division shall be decided or resolved with the concurrence of a majority of the Members who actually took part in the deliberations on the issues in the case and voted thereon, and in no case, without the concurrence of at least three of such Members. When the required number is not obtained, the case shall be decided en banc; Provided, that no doctrine or principle of law laid down by the court in a decision rendered en banc or in division may be modified or reversed except by the court sitting en banc. (Emphasis supplied)

[89] *Supra* at note 3, p. 809.

[90] *Delta Motors Corporation v. C.A.*, G.R. No. 121075, July 24, 1997, 276 SCRA 212, 223.

[91] *Office of the Ombudsman v. Court of Appeals*, G.R. No. 146486, March 4, 2005, 452 SCRA 714, 733-734.

[92] *City of Manila vs. Entote*, No. L-24776, June 28, 1974, 57 SCRA 497, 508-509.

[93] *Id.*, p. 349.

[94] *Id.*, pp. 355-356.

[95] Rollo, p. 390.

[96] Republic Act No. 3844 (Agricultural Land Reform Code).

[97] Section 23 of Republic Act No. 8791 (General Banking Act of 2000) provides:

Section 23. Powers of a Universal Bank. — A universal bank shall have the authority to exercise, in addition to the powers authorized for a commercial bank in Section 29, the powers of an investment house as provided in existing laws and the power to invest in non-allied enterprises as provided in this Act. (21-B)

[98] Section 2 of Presidential Decree No. 251 expanded the powers of the Land Bank, thus:

Section 2. Section seventy-five of the same Act is hereby amended to read as follows:

"Sec. 75. Powers in General. The bank shall have the power:

x x x

“8. To underwrite, hold, own, purchase, acquire, sell, mortgage, dispose or otherwise invest or reinvest in stocks, bonds, debentures, securities and other evidences of indebtedness of other corporations and of the government or its instrumentalities which are issued for or in connection with any project or enterprise;”

x x x

12. To exercise the general powers mentioned in the Corporation Law and the General Banking Act, as amended, insofar as they are not inconsistent or incompatible with this Decree.

[99] Section 21 of Presidential Decree No. 251 states:

Section 21. Section ninety-seven of the same Act is hereby amended to read as follows:

“Sec. 97. Central Bank Supervision. The Bank shall be under the supervision and regulation of the Central Bank of the Philippines.”

[100] Section 64 of Republic Act No. 6657 provides:

Sec. 64. Financial Intermediary for the CARP. - The Land Bank of the Philippines shall be the financial intermediary for the CARP, and shall insure that the social justice objectives of the CARP shall enjoy a preference among its priorities.

[101] Executive Order No. 267 entitled Providing for the Issuance of National Government Bonds to be Known as Agrarian Reform (AR) Bonds (issued on July 25, 1995) provides:

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

x x x

2. The segregation of the accounts of CARP-related transactions in the books of account maintained by the Land Bank of the Philippines, except those specifically shouldered by the Land Bank of the Philippines; and

x x x

In the implementation of this order:

x x x

c) Separate financial statements and records will be maintained for CARP-related transactions and the LBP will be responsible for the administration of all the ARF funds entrusted to it or brought under its control. (emphasis supplied)

[102] Rollo, pp. 827-828.

[103] Id., p. 904.

[104] Id., pp. 955-959. (this is a provisional pagination only; see pp. 5-9 of Land Bank’s Reply (Re: Verified Opposition to LNP’s Motion/Application for Issuance of TRO)).

[105] Words and Phrases, Vol. 34, p. 205, citing State ex. Rel. Ledwith v. Brian, 120 N.W. 916, 917, 84 Neb. 30.

[106] Id., p. 210, citing Furst & Thomas v. Elliott, 56 P.2d 1064, 1068, 56 Idaho, 491.

[107] Badillo v. Tayag, G.R. Nos. 143976 and 145846, April 3, 2003, 400 SCRA 494, 502-504.

[108] Rollo, pp. 355-356.

[109] Id., pp. 598-601.

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