Republic of the Philippines
SUPREME COURT
Manila

SPECIAL THIRD DIVISION

GONZALO PUYAT & SONS, INC., Petitioner,	**G.R. No. 167952**
	Present:
- versus -	VELASCO, JR., *J.*, Chairperson, PERALTA, MENDOZA, REYES, and PERLAS-BERNABE, *JJ.*
RUBEN ALCAIDE (deceased), substituted by GLORIA ALCAIDE, representative of the Farmer-Beneficiaries, Respondent.	Promulgated: October 19, 2016

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RESOLUTION

VELASCO, JR., *J.*:

This resolves the *Motion for Reconsideration* and the *Supplement to Respondent's Motion for Reconsideration* filed by respondents praying that the Decision of the Court dated February 1, 2012 be set aside and reconsidered and that the Decision dated February 1, 2005 and Resolution dated April 25, 2005 of the Court of Appeals in CA-G.R. SP No. 86069 be reinstated.

To recall, the Court, by its Decision dated February 1, 2012, reversed and set aside the Decision[1] dated February 1, 2005 and the Resolution[2] dated April 25, 2005 of the Court of Appeals (CA), and reinstated the Decision[3] dated August 8, 2003 and the Order[4] dated July 2, 2004 of the Office of the President (OP). In turn, the said Orders of the OP set aside the Orders[5] dated June 8, 2001 and November 5, 2001 of the Department of Agrarian Reform (DAR) Secretary and lifted the Notice of Coverage dated April 14, 1998 and Notice of Land Valuation and Acquisition dated November 15, 1998 over the 37.7353-hectare portion of petitioner Gonzalo Puyat & Sons, Inc.'s property (subject landholding).

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[1] *Rollo*, pp. 30-42. Penned by Associate Justice Remedios A. Salazar-Fernando and concurred in by Associate Justices Rosmari D. Carandang and Monina Arevalo-Zenarosa.
[2] Id. at 44-45.
[3] Id. at 117-121.
[4] Id. at 136-137.
[5] Id. at 70-72.

The facts of the case, as stated in this Court's Decision dated February 1, 2012, are as follows:

> On April 14, 1998, the Municipal Agrarian Reform Officer (MARO) issued a Notice of Coverage over the subject landholding informing petitioner that the subject properties were being considered for distribution under the government's agrarian reform program. Thereafter on November 15, 1998, the corresponding Notice of Valuation and Acquisition was issued informing petitioner that a 37.7353-hectare portion of its property is subject to immediate acquisition and distribution to qualified agrarian reform beneficiaries and that the government is offering P7,071,988.80 as compensation for the said property.
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> Petitioner then filed a Petition before the Department of Agrarian Reform (DAR), wherein it argues that the properties were bought from their previous owners in good faith; that the same remains (sic) uncultivated, unoccupied, and untenanted up to the present; and, that the subject landholdings were classified as industrial, thus, exempt from the coverage of the Comprehensive Agrarian Reform Program (CARP). Petitioner prayed, among other things, that the Notice of Coverage and Notice of Acquisition be lifted and that the properties be declared exempt from the coverage of CARP.
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> Respondents on their part countered, among other things, that the classification of the land as industrial did not exempt it from the coverage of the CARP considering that it was made only in 1997; the HLURB certification that the Municipality of Biñan, Laguna does not have any approved plan/zoning ordinance to date; that they are not among those farmer-beneficiaries who executed the waivers or voluntary surrender; and, that the subject landholdings were planted with palay.
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> On June 8, 2001, then DAR Secretary Hernani A. Braganza, issued an Order in favor of the respondent declaring that the subject properties are agricultural land; thus, falling within the coverage of the CARP, the decretal portion of which reads:
>
> > **WHEREFORE**, premises considered, Order is hereby issued dismissing the petition. The MARO/PARO concerned is directed to immediately proceed with the acquisition of subject landholdings under CARP, identify the farmer-beneficiaries and generate/issue the corresponding Certificates of Land Ownership Awards pursuant to Section 16 of RA 6657.
> >
> > **SO ORDERED.**
>
> On July 24, 2001, respondents filed a Motion for the Issuance of an Order of Finality of Judgment praying that an Order of Finality be issued for petitioner's failure to interpose a motion for reconsideration or an appeal from the order of the DAR Secretary.
>
> On August 3, 2001, the DAR issued an Order granting the motion and directing that an Order of Finality be issued. Consequently, on August 6, 2001, an Order of Finality quoting the dispositive portion of the June 8, 2001 Order of the DAR Secretary was issued.

On August 17, 2001, petitioner received a copy of the Orders dated August 3 and 6, 2001. Thereafter, on August 20, 2001, petitioner filed a Motion to Lift Order of Finality.

On August 28, 2001, petitioner's counsel filed a Manifestation with Urgent *Ex Parte* Motion for Early Resolution informing the DAR of his new office address and praying that the petition be resolved at the earliest convenient time and that he be furnished copies of dispositions and notices at his new and present address.

In a Letter sent to the new address of petitioner's counsel, dated September 4, 2001, Director Delfin B. Samson of the DAR informed petitioner's counsel that the case has been decided and an order of finality has already been issued, copies of which were forwarded to his last known address. Nevertheless, Director Samson attached copies of the Order dated June 8, 2001 and the Order of Finality dated August 6, 2001 for his reference.

On September 14, 2001, petitioner filed a Motion for Reconsideration with Manifestation, questioning the orders dated June 8, 2001 and August 6, 2001 and praying that the said orders be set aside and a new one issued granting the petition.

On September 21, 2001, the DAR issued an order directing the parties to submit their respective memoranda.

On November 5, 2001, the DAR issued an order denying the motion for reconsideration, which was received by petitioner's counsel on November 15, 2001.

Aggrieved, petitioner filed an appeal before the Office of the President which was received by the latter on November 21, 2001. The case was docketed as O.P. Case No. 01-K-184.

On August 8, 2003, the Office of the President rendered a Decision in favor of petitioner, the dispositive portion of which reads:

> **WHEREFORE**, premises considered, the Orders dated 08 June 2001 and 05 November 2001 of the DAR Secretary are hereby **SET ASIDE** and the Notice of Coverage dated April 14, 1998 and Notice of Acquisition dated November 15, 1998 issued over the subject land **LIFTED**, without prejudice to the conduct of an ocular inspection to determine the classification of the land.
>
> Parties are to **INFORM** this Office, within five (5) days from notice, of the dates of their receipt of this Decision.
>
> **SO ORDERED**.

On March 24, 2004, there being no appeal or motion for reconsideration interposed despite clear showing that both parties had received their copies of the August 8, 2003 Decision, the Office of the President issued an Order declaring that the decision has become final and executory.

Subsequently, respondents filed a Petition for Relief seeking that the above Decision and Order of the Office of the President be set aside and the Orders of the DAR Secretary reinstated.

On July 2, 2004, the Office of the President, treating the Petition for Relief as a motion for reconsideration, issued an Order dismissing the same, to wit:

> **WHEREFORE**, premises considered, the "Petition for Relief" dated 3 May 2004, which is treated herein as a motion for reconsideration, filed by Ruben Alcaide is hereby **DISMISSED.** No further motions or reconsideration or other pleadings of similar import shall be entertained.
>
> **SO ORDERED**.

Respondents then sought recourse before the CA assailing the Decision dated August 8, 2003 and Order dated July 2, 2004 of the Office of the President. In support of the petition, respondents raised the following errors:

> I. THE HONORABLE OFFICE OF THE PRESIDENT COMMITTED A REVERSIBLE ERROR WHEN IT REVERSED AND/OR SET ASIDE THE ORDERS DATED JUNE 8, AND NOVEMBER 5, 2001 OF THE DAR SECRETARY DESPITE THE FINALITY OF THE SAID ORDERS;
>
> II. THE HONORABLE OFFICE OF THE PRESIDENT ERRED WHEN IT RULED THAT THE SUBECT PROPERTY IS NOT AGRICULTURAL.

On February 1, 2005, the CA rendered a Decision granting the petition in favor of the respondents, the decretal portion of which reads:

> **WHEREFORE**, in view of the foregoing, the petition for review is hereby **GRANTED**. The decision dated August 8, 2003 and the order dated July 2, 2004 of the Office of the President in O.P. CASE No. 01-K-184 are **SET ASIDE** for being null and void. The orders dated June 8, 2001 and August 6, 2001 of the DAR Secretary are hereby **REINSTATED.**
>
> **SO ORDERED**.

Ruling in favor of the respondents, the CA opined that the Order of the DAR Secretary dated June 8, 2001 has become final and executory by petitioner's failure to timely interpose his motion for reconsideration. Consequently, when petitioner filed his motion for reconsideration on September 14, 2001, the order sought to be reconsidered has attained finality. Thus, the Office of the President had no jurisdiction to re-evaluate, more so, reverse the findings of the DAR Secretary in its Order dated June 8, 2001. (emphasis in the original; citations omitted.)

Inevitably, petitioner filed a Petition for Review on Certiorari before this Court seeking to reverse the February 1, 2005 Decision of the CA and its April 25, 2005 Resolution denying petitioner's motion for reconsideration.

As mentioned above, the Court, in its Decision dated February 1, 2012 (assailed Decision), ruled in favor of petitioner and reinstated the August 8, 2003 Decision and the July 2, 2004 order of the OP, the decretal portion of which reads as follows:

> **WHEREFORE**, premises considered, the petition is **GRANTED**. The Decision and the Resolution of the Court of Appeals in CA-G.R. SP No. 86069 are **REVERSED** and **SET ASIDE.** The Decision dated August 8, 2003 and the Order dated July 2, 2004 of the Office of the President are **REINSTATED.** (emphasis in the original)

In this recourse, respondents urge the Court to reconsider its assailed Decision, interposing the following grounds:

> I
>
> THIS HONORABLE COURT ERRED IN MAKING (sic) RULING THAT THE ORDER OF THE DAR DATED JUNE 8, 2001 HAS NOT BECOME FINAL AND EXECUTORY
>
> II
>
> THIS HONORABLE COURT ERRED WHEN IT MADE A RULING THAT THE MARO [MUNICIPAL AGRARIAN REFORM OFFICER] FAILED TO COMPLY WITH THE PRE-OCULAR INSPECTION REQUIREMENTS OF DAR ADMINISTRATIVE ORDER NO. 01 SERIES OF 1998 JUST BECAUSE THE MARO FAILED TO CHECK THE BOX/ES AS TO WHETHER OR NOT THE LAND IS "PRESENTLY BEING CULTIVATED/SUITABLE TO AGRICULTURE."[6]

In other words, respondents raised the following issues for Our consideration: (1) whether the June 8, 2001 Order of the DAR has become final and executory; and (2) whether the MARO had indeed failed to comply with the pre-ocular inspection requirements under DAR Administrative Order No. 01, Series of 1998, which call for the lifting of the notice of coverage and the notice of land valuation and acquisition issued by the DAR.

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[6] Id. at 488-489.

Finality of the June 8, 2001 Order

In order to have a better understanding of the instant case, let us recall, in clear chronological order, the relevant events that took place prior to the promulgation of the assailed Decision by this Court:

December 20, 2000: Petitioner filed its Petition[7] dated December 15, 2000 before the DAR praying, *interalia*, that the notice of coverage and notice of land valuation and acquisition be lifted and that the subject landholding be declared exempt from the coverage of the comprehensive agrarian reform program (CARP).

February 5, 2001: Respondents filed its Reply (To Petition dated 15 December 2000).[8]

June 8, 2001: Then DAR Secretary Hernani A. Braganza (DAR Sec. Braganza) issued the Order[9] dismissing the petition and declaring that the subject landholding is an agricultural land, thus, falling within the CARP coverage.

July 24, 2001: Respondents filed their Motion for the Issuance of an Order of Finality of Judgment[10] of even date praying that an order of finality be issued for petitioner's failure to interpose an appeal or motion for reconsideration from the June 8, 2001 Order of the DAR Secretary.

August 3, 2001: DAR issued its Order[11] granting the motion for the issuance of an order of finality of judgment and directing that an order of finality be issued.

August 6, 2001: DAR, through Director Delfin B, Samson (Dir. Samson), issued the Order of Finality.[12]

August 17, 2001: Petitioner received a copy of the Orders dated August 3 and 6, 2001.

August 20, 2001: Petitioner filed a Motion to Lift Order of Finality[13] of even date.

August 28, 2001: Petitioner's counsel filed a Manifestation with Urgent *Ex Parte* Motion for Early Resolution[14] of even date manifesting that said counsel changed his office

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[7] Id. at 63-65.
[8] Id. at 68-69.
[9] Id. at 70-72.
[10] Id. at 73-65.
[11] Id. at 76-77.
[12] Id. at 87-88.
[13] Id. at 82-83.
[14] Id. at 85.

address and praying that its motion to lift order of finality be resolved at the earliest opportunity as the delay in its resolution will likely delay petitioner's plan to develop the subject area for low cost social housing.

September 4, 2001: DAR, through a letter [15] issued by Dir. Samson, informed petitioner's counsel that the case has been decided and that an order of finality has already been issued.

September 14, 2001: Petitioner filed its motion for reconsideration[16] questioning the June 8, 2001 and August 6, 2001 Orders of the DAR and praying that said orders be set aside.

September 21, 2001: DAR issued its Order directing the parties to submit their respective memoranda.

November 5, 2001: DAR issued its order denying petitioner's motion for reconsideration.

November 21, 2001: Petitioner filed its Notice of Appeal[17] dated November 19, 2001 before the OP.

As can be derived from the foregoing, the June 8, 2001 Order of the DAR has already attained finality for several reasons. *First*, as aptly observed by the CA, petitioner's motion for reconsideration of the June 8, 2001 Order of the DAR was filed only on September 14, 2001, after an order of finality has already been issued by the DAR.[18]

In its Motion to Lift Order of Finality dated August 20, 2001, petitioner's counsel expressly admitted that he received said order only on August 17, 2001.[19] Granting that petitioner's counsel was forthright in making such an admission, then petitioner had only until September 1, 2001 within which to file its motion for reconsideration. Having filed its motion for reconsideration only on September 14, 2001, way beyond the 15-day reglementary period, the order sought to be reconsidered by petitioner has already attained finality.

Second, even if this Court overlooks the admission of petitioner's counsel that he already received the June 8, 2001 Order on August 17, 2001, still, said order was already deemed to have been served upon petitioner when it failed to notify DAR of its counsel's change of address. On this point, the DAR issued an Order dated August 3, 2001,[20] stating, *inter alia*:

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[15] Id. at 86.
[16] Id. at 92-93.
[17] Id. at 103.
[18] Id. at 38.
[19] Id. at 81.
[20] Id. at 79-80.

> Per certification of the Records Management Division, **the counsel of petitioner has moved out without leaving any forwarding address** and, the petitioner's address is insufficient that it could not be located despite diligent efforts.
>
> WHEREFORE, premises considered, **the Order of June 8, 2001 is deemed to have been served** and let Order of Finality be issued.
>
> SO ORDERED.[21] (emphasis supplied)

Failure of petitioner's counsel to officially notify the DAR of its change of address is an **inexcusable neglect** which binds his client. In *Karen and Kristy Fishing Industry v. CA*,[22] this rule has been clearly elucidated by the Court, to wit:

> The records show that the failure of Atty. Dela Cruz, petitioners' counsel of record, to receive a copy of the Court of Appeals decision was caused by his failure to inform the appellate court of the change of his address of record. Thus, the Clerk of Court had to resend a copy of the decision, this time to the address on record of spouses Tuvilla.
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> **If counsel moves to another address without informing the take of that change, such omission or neglect is inexcusable and will stay the finality of the decision. The court cannot be expected to take judicial notice of the new address of a lawyer who has moved or to ascertain on its own whether or not the counsel of record has been changed and who the new counsel could possibly be or where he probably resides or holds office.**
>
> Jurisprudence is replete with pronouncements that clients are bound by the actions of their counsel in the conduct of their case. If it were otherwise, and a lawyer's mistake or negligence were admitted as a reason for the opening of a case, there would be no end to litigation so long as counsel had not been sufficiently diligent or experienced or learned.
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> In *Macondray & Co., Inc. v. Provident Insurance Corporation*, petitioner's previous counsel moved to a new address without informing the appellate court, eventually causing the appellate court's decision to become final and executory. The Court ruled that the counsel's omission was an inexcusable neglect binding upon petitioner therein for the following reasons:
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> > In the present case, there is no compelling reason to overturn well-settled jurisprudence or to interpret the rules liberally in favor of petitioner, who is not entirely blameless. It should have taken the initiative of periodically keeping in touch with its counsel, checking with the court, and inquiring about the status of its case. In so doing, it could have taken timely steps to neutralize the negligence of its chosen counsel and to protect its interests. Litigants represented by counsel should not expect that all they need to do is sit back, relax and await the outcome of their case.

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[21] Id. at 79.

[22] G.R. Nos. 172760-61, October 15, 2007, 536 SCRA 243, 248-250.

> As pointed out by respondent, after the death of petitioner Tuvilla's husband, more than a year had elapsed before the promulgation of the Court of Appeals decision, but she failed to coordinate with the counsel of record and check the status of the case in the interim.
>
> Moreover, the general rule is that when a party is represented by counsel of record, service of orders and notices must be made upon said attorney and notice to the client and to any other lawyer than the counsel of record is not notice in law. The Court of Appeals did not strictly apply this rule and was even liberal when it did not consider the service on the counsel of record as notice to petitioner. It even counted the 15-day reglementary period for filing a motion of reconsideration from the later receipt by petitioner Aquilina Tuvilla of a copy of the decision instead of from the earlier service on petitioner's counsel of record. Unfortunately, she squandered the new period as she failed to file the motion for reconsideration within the said period.
>
> Thus, the Court of Appeals did not commit grave abuse of discretion when it denied petitioners' motion for additional time to file the motion for reconsideration in accordance with the well-settled principle that on extension for filing said motion may be granted. **As a rule, periods prescribed to do certain acts must be followed with fealty as they are designed primarily to speed up the final disposition of the case. Such reglementary periods are indispensable interdictions against needless delays and for an orderly discharge of judicial business. Deviations from the rules cannot be tolerated. More importantly, their observance cannot be left to the whims and caprices of the parties**. What is worrisome is that parties who fail to file their pleading within the periods provided for by the Rules of Court, **through their counsel's inexcusable neglect**, resort to beseeching the Court to bend the rules in the guise of a plea for a liberal interpretation thereof, thus, sacrificing efficiency and order. (citation omitted; emphasis supplied)

Considering that petitioner's counsel moved out of its previous address without leaving any forwarding address, the DAR was correct in issuing the Order dated August 3, 2001 where it was ruled that "the Order of June 8, 2001 is deemed to have been served" upon petitioner and which correspondingly led to the issuance of the order of finality. To be sure, such omission or neglect on the part of petitioner's counsel is inexcusable and binding upon petitioner.

And *third*, this Court is not unaware of the time-honored principle that "actual knowledge" is equivalent to "notice." Thus, when petitioner, through its counsel, filed its Motion to Lift Order of Finality dated August 20, 2001 with the DAR, this indubitably indicates that petitioner and its counsel already had prior "actual knowledge" of the June 8, 2001 Order, which "actual knowledge" is equivalent to "notice" of said order.[23] As a matter of fact, in the said motion, petitioner even quoted the dispositive portion of the June 8, 2001 Order of the DAR. Inevitably, this leads to no

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[23] See *Osmena v. Commision on Audit*, G.R. No. 188818, May 31, 2011, 649 SCRA 654, 661; *Quelnan v. VHF Phil.*; G.R. No. 138500, September 16, 2005, 470 SCRA 73, 81-82; and *Samartino v. Raon*, G.R. No. 131482, July 3, 2002, 383 SCRA 664, 673-674.

other conclusion than that petitioner already had actual knowledge of the denial of its petition at the time said motion had been drafted and/or filed. Since the motion to lift order of finality was drafted and/or filed on August 20, 2001, it can be said that at the latest, petitioner had until September 4, 2001 within which to file its motion for reconsideration. Consequently, the filing of the motion for reconsideration only on September 14, 2001 was certainly way beyond the reglementary period within which to file the same.

Significantly, when a decision becomes final and executory, the same can, and should, no longer be disturbed. As this Court held in *Zamboanga Forest Managers Corp. v. New Pacific Timber and Supply Co.*:[24]

> Granted by the CA an extension of fifteen (15) days from 25 October, 2003 or until 9 November, 2003 within which to file its petition for review, it does not likewise help ZFMC's cause any that it was only able to do so on 24 November 2003. Although appeal is an essential part of our judicial process, it has been held, time and again, that the right thereto is not a natural right or a part of due process but is merely a statutory privilege. Thus, the perfection of an appeal in the manner and within the period prescribed by law is not only mandatory but also jurisdictional and failure of a party to conform to the rules regarding appeal will render the judgment final and executory. **Once a decision attains finality, it becomes the law of the case irrespective of whether the decision is erroneous or not and no court – not even the Supreme Court – has the power to revise, review, change or alter the same.** The basic rule of finality of judgment is **grounded on the fundamental principle of public policy and sound practice that, at the risk of occasional error, the judgment of courts and the award of quasi-judicial agencies must become final at some definite date fixed by law.** (citations omitted; emphasis supplied)

Considering the foregoing, it was clearly erroneous on the part of the OP to have taken cognizance of the appeal filed by petitioner given that the June 8, 2001 Order of the DAR has already attained finality and, thus, should no longer be disturbed.

Determination by the DAR

Even if this Court sets aside petitioner's procedural lapse, the case should still be dismissed based on substantial grounds.

In upholding the August 8, 2003 Decision of the OP, the majority harped on the fact that the MARO failed to mark any of the check boxes for "Land Use" to indicate whether the subject properties were sugarland, cornland, un-irrigated riceland, irrigated riceland, or any other classification of agricultural land, and consequently arrived at the conclusion that no preliminary ocular inspection was conducted and, hence, the lifting of the notice of coverage over the subject landholding was proper, without prejudice to the conduct of an ocular inspection to determine the classification of the land.

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[24] G.R. No. 173342, October 13, 2010, 633 SCRA 82, 92-93.

The conclusion arrived at by the majority is flawed for two reasons. *First*, the fact that the MARO issued CARP Form No. 3.a, entitled "Preliminary Ocular Inspection Report," belies the majority's conclusion that no preliminary ocular inspection was conducted by the DAR.[25] Strikingly, almost all the other details under said report were filled up or marked. Said report was also signed by the persons who conducted the inspection and attested by Flordeliza DP Del Rosario, the MARO in-charge. In this regard, it should be noted that with the issuance of the Preliminary Ocular Inspection Report, the MARO is presumed to have regularly performed his or her duty of conducting a preliminary ocular inspection, in the absence of any evidence to overcome such presumption.[26]

To my mind, the failure to mark the checkboxes pertaining to "Land Condition/Suitability to Agriculture" and "Land Use" does not constitute as evidence that may overcome the presumption of regularity in the performance of official duty. If at all, such failure merely constitutes inadvertence that should not prejudice the farmers in the instant case.

Interestingly, a perusal of the Preliminary Ocular Inspection Report would reveal that the checkboxes pertaining to the sub-categories under "Land Condition/Suitability to Agriculture" and "Land Use" do not negate the finding that the subject landholding is an agricultural land, which led to the issuance of the notice of coverage over said property. Particularly, the following are the sub-categories and the checkboxes which the MARO failed to mark:

> 2. Land Condition/Suitability to Agriculture (Check Appropriate Parenthesis)
>
> ( ) Subject property is presently being cultivated/suitable to agriculture
> ( ) Subject property is presently idle/vacant
>
> x x x x
>
> 4. Land Use (Check Appropriate Parenthesis)
>
> ( ) Sugar land ( ) Unirrigated Riceland
> ( ) Cornland. ( ) Irrigated Riceland
> ( ) Others (Specify) _____[27]

Evidently, none of the abovementioned description of land would negate the determination of the DAR that the subject landholding is indeed an agricultural land. Whether the subject landholding is presently being cultivated or not or whether the same is sugarland, cornland, unirrigated or irrigated riceland is of no moment. The primordial consideration is whether

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[25] *Rollo*, p. 230.

[26] See *Lercana v. Jalandoni*, G.R. No. 132286, February 1, 2002, 375 SCRA 604, 611 and *Small Homeowners Association of Hermosa, Bataan v. Litton*, G.R. No. 146061, August 31, 2006, 500 SCRA 385, 392.

[27] *Rollo*, p. 230.

the subject landholding is an agricultural land which falls within the coverage of CARP.

Moreover, any doubt as to the conduct of an ocular inspection and as to the nature and character of the subject landholding should be obviated with the issuance of the Memorandum[28] dated March 3, 2005 addressed to Luis B. Bueno, Jr., Assistant Regional Director for Operations of DAR Regional Office Region IV-A, and prepared by Catalina D. Causaren, Provincial Agrarian Reform Officer (PARO) of Laguna, where it was stated that an ocular inspection has been conducted and that the subject landholding is indeed an agricultural land. As stated:

> We are called to tilt the balance in favor of these poor farmers, so the undersigned [PARO Catalina D. Causaren] and Ms. Rosalinda M. Rivera, Legal Officer II, **investigated and inspected the properties**. Hereunder are the following informations (sic) gathered, to wit:
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> - The properties are bounded on the South by residential houses and large portion was planted to palay; on the North planted also to palay; on the West and East small portion with mixture of Horse Raising and Industrial establishment.
>
> - The area surrounding the subject properties are mostly planted to palay;
>
> - The CLOA Holders were prevented from entering the subject landholdings to perform their farming activities thereon, thus, the same remains unoccupied;
>
> - A big DAM is the main source of Irrigation Service throughout the municipality of Biñan/Samahang Nagdadamayang Buklod ng Magpapatubig ng Biñan;
>
> - No water supply in the irrigation facilities due to absence of agricultural activities and not planted to any crops;
>
> - **There was no doubt that the landholdings are agricultural in nature** in view of the fact that large portion surrounding the area are planted to palay, the purpose of which is agricultural production since palay is agricultural products (sic).[29] (emphasis supplied)

Clearly, MARO's failure to mark any of the check boxes for "Land Condition/Suitability to Agriculture" and "Land Use" to indicate whether the subject properties were sugarland, cornland, un-irrigated riceland, irrigated riceland, or any other classification of agricultural land leading to the lifting of the notice of coverage over the subject landholding, without prejudice to the conduct of an ocular inspection to determine the classification of the land, is totally uncalled for.

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[28] Id. at 272.
[29] Id. at 272-273.

And *second*, petitioner has miserably failed to present any evidence that would support its contention that the subject landholding has already been validly reclassified from "agricultural" to "industrial" land. According to petitioner, the subject landholding has already been reclassified as industrial land by the Sangguniang Bayan of the Municipality of Biñan, and that pursuant to such reclassification, petitioner has been assessed, and is paying, realty taxes based on this new classification.[30]

Indeed, the subject landholding had been reclassified under Kapasiyahan Blg. 03-(89)[31] dated January 7, 1989 of the Municipality of Biñan, Laguna. It is worth noting, however, that said reclassification has not been approved by the Housing and Land Use Regulatory Board based on its Certification[32] dated October 16, 1997. As found by DAR Sec. Braganza in the June 8, 2001 Order:

> The principal issue to be resolved is whether or not subject landholdings are subject to CARP coverage.
>
> We find no merit in the instant petition. Subject landholdings are still agricultural land and, accordingly, fall within the CARP coverage. Department of Justice Opinion No. 44, series of 1990, is not applicable. As certified to by Ms. Carolina Casaje of HLURB on October 16, 1997, there is no HLURB-approved Town Plan/Zoning Ordinance of the municipality of Binan, Laguna, reclassifying subject landholdings as industrial. The tax declaration presented by petitioner indicating that subject landholdings is a proposed industrial area is not sufficient in law to effect the reclassification insisted upon by petitioner. As exhaustively discussed in the above-mentioned DOJ Opinion, there should be a zoning ordinance and that the same must be approved before the effectivity of RA 6657, i.e., July 15, 1988. Neither requirement obtains herein.
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> **WHEREFORE**, premises considered, Order is hereby issued dismissing the petition. The MARO/PARO concerned is directed to immediately proceed with the acquisition of subject landholdings under CARP, identify the farmer-beneficiaries and generate/issue the corresponding Certificates of Land Ownership Awards pursuant to Section 16 of RA 6657.
>
> **SO ORDERED**.[33] (emphasis in the original.)

Neither was there any showing that said reclassification has been authorized by the DAR as required under Section 65[34] of Republic Act No. 6657 of the *Comprehensive Agrarian Reform Law*.[35]

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[30] Id. at 6.
[31] Id. at 57.
[32] Id. at 62.
[33] Id. at 71-72.
[34] Sec. 65. *Conversion of Land.* – After the lapse of five (5) years from its award, when the land ceases to be economically feasible and sound for agricultural purposes, or the locality has become urbanized and the land will have greater economic value for residential, commercial or industrial purposes, the DAR, upon application of the beneficiary or the landowner, with due notice to the affected parties, and subject to existing laws, may authorize the reclassification or conversion of the land and its disposition: *Provided,* That the beneficiary shall have fully paid his obligation.
[35] See *Junio v. Garilao*, G.R. No. 147146, July 29, 2005, 465 SCRA 173, 186.

Aside from the reclassification by the Sangguniang Bayan of the Municipality of Biñan, petitioner also relies on the tax declaration purportedly reclassifying the subject landholding as industrial. However, as petitioner itself admitted, what was indicated in said tax declaration was merely "proposed industrial."[36] Evidently a "proposal" is quite different from "reclassification." Thus, petitioner cannot also rely on said tax declaration to bolster its contention that the subject landholding has already been reclassified from "agricultural" to "industrial."

WHEREFORE, respondent's *Motion for Reconsideration* and the *Supplement to Respondent's Motion for Reconsideration* are **GRANTED** and the February 1, 2012 Decision of this Court is **RECONSIDERED** and **SET ASIDE**.

The instant petition is hereby **DENIED**. The Decision dated February 1, 2005 and the Resolution dated April 25, 2005 of the Court of Appeals in CA-G.R. SP No. 86069 are **REINSTATED** and **AFFIRMED** and, consequently, the Orders dated June 8, 2001 and November 5, 2001 of the Department of Agrarian Reform Secretary are **REINSTATED**.

SO ORDERED.

PRESBITERO J. VELASCO, JR.
Associate Justice

[36] *Rollo*, p. 64.

WE CONCUR:

See dissenting opinion

DIOSDADO M. PERALTA
Associate Justice

JOSE CATRAL MENDOZA
Associate Justice

BIENVENIDO L. REYES
Associate Justice

ESTELA M. PERLAS-BERNABE
Associate Justice

ATTESTATION

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

PRESBITERO J. VELASCO, JR.
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 Resolution 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

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OCT 25 2016