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A bail application does not only involve the right of the accused to temporary liberty, but likewise the right of the State to protect the people and the peace of the community from dangerous elements. These two rights must be balanced by a magistrate in the scale of justice, hence, the necessity for hearing to guide his exercise of jurisdiction.[46]

The presiding judge of the trial court thus exposed his gross ignorance of the law. As a consequence, the appellant jumped bail and managed to elude arrest for six years, to the prejudice of the administration of justice.

WHEREFORE, premises considered, the decision appealed from is hereby AFFIRMED with MODIFICATION. Appellant Alex Manallo is found guilty beyond reasonable doubt of rape under Article 335 of the Revised Penal Code as amended and is hereby meted the penalty of *reclusion perpetua*. He is ordered to pay to the victim Rosaldiza Nabor ₱50,000 as civil indemnity; ₱50,000 as moral damages and ₱25,000 as exemplary damages.

Costs *de oficio*.

SO ORDERED.

Bellosillo (Chairman), Mendoza, Quisumbing, and *Austria-Martinez, JJ.*, concur.

FIRST DIVISION

[G.R. No. 152404. March 28, 2003]

RODOLFO ARZAGA and FRANCIS ARZAGA, *petitioners, vs.* **SALVACION COPIAS and PRUDENCIO CALANDRIA,** *respondents.*

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[46] *Supra*, p. 110.

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SYNOPSIS

Petitioners filed with the Regional Trial Court of San Jose, Antique, Branch 11, a complaint for recovery of possession and damages against private respondents contending that they are the co-owners of the subject lot; and that private respondents allegedly entered and occupied the disputed property without the consent of the petitioners. In their answer, private respondents prayed that the complaint be dismissed as the subject matter thereof was cognizable by the Department of Agrarian Reform Adjudication Board (DARAB), and not by the regular courts, because the controversy involved an agricultural tenancy relationship. The trial court by a resolution dismissed the case on the ground of lack of jurisdiction. Petitioners appealed to the Court of Appeals, which rendered judgment affirming the assailed resolution of the trial court. A motion for reconsideration of the said decision was denied. Hence, this petition.

In granting the petition, the Supreme Court ruled that for DARAB to have jurisdiction over a case, there must exist a tenancy relationship between the parties. In order for a tenancy agreement to take hold over a dispute, it would be essential to establish all its indispensable elements to wit: (1) the parties are the landowner and the tenant or agricultural lessee; (2) subject matter of the relationship is an agricultural land; (3) there is consent between the parties to the relationship; (4) that the purpose of the relationship is to bring about agricultural production; (5) there is personal cultivation on the part of the tenant or agricultural lessee; and (6) the harvest is shared between the landowner and the tenant or agricultural lessee. In the case at bar, the element that the parties must be the landowner and the tenant or agricultural lessee, on which all the other requisites of the tenancy agreement depends, is absent. Neither do the records show any juridical tie or tenurial relationship between the parties' predecessors-in-interest.

SYLLABUS

1. LABOR AND SOCIAL LEGISLATION; AGRARIAN LAWS; DEPARTMENT OF AGRARIAN REFORM AND ADJUDICATION BOARD; EXERCISES PRIMARY JURISDICTION TO ADJUDICATE ALL AGRARIAN

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DISPUTES AND MATTERS INVOLVING THE IMPLEMENTATION OF AGRARIAN LAWS.— Under Rule II, Section 1, paragraph (a), of the Revised Rules of Procedure of the Department of Agrarian Reform and Adjudication Board, the DARAB exercises primary jurisdiction — both original and appellate — to determine and adjudicate all agrarian disputes, cases, controversies, and matters or incidents involving the implementation of agrarian laws and their implementing rules and regulations.

2. **ID.; ID.; AGRARIAN DISPUTE, DEFINED.**— Agrarian dispute refers to any controversy relating to tenurial arrangements, whether leasehold, tenancy, stewardship or otherwise, over lands devoted to agriculture, including disputes concerning farmworkers associations or representation of persons in negotiating, fixing, maintaining, changing or seeking to arrange terms or conditions of such tenurial arrangements.

3. **ID.; ID.; TENANCY RELATIONSHIP; ELEMENTS.**— In *Monsanto v. Zerna,* it was held that for DARAB to have jurisdiction over a case, there must exist a tenancy relationship between the parties. In order for a tenancy agreement to take hold over a dispute, it would be essential to establish all its indispensable elements to wit: (1) the parties are the landowner and the tenant or agricultural lessee; (2) subject matter of the relationship is an agricultural land; (3) there is consent between the parties to the relationship; (4) that the purpose of the relationship is to bring about agricultural production; (5) there is personal cultivation on the part of the tenant or agricultural lessee; and (6) the harvest is shared between the landowner and the tenant or agricultural lessee.

4. **ID.; ID.; ID.; ID.; NOT PRESENT IN CASE AT BAR.**— In the case at bar, the element that the parties must be "the landowner and the tenant or agricultural lessee", on which all other requisites of the tenancy agreement depends, is absent. Tenancy relationship is inconsistent with the assertion of ownership of both parties. Petitioners claim to be the owners of the entire Lot No. 5198, by virtue of a Certificate of Sale of Delinquent Real Property, while private respondents assert ownership over Lot Nos. 5198-A, 5198-B and 5198-D on the basis of an Emancipation Patent and Transfer Certificate of Title. Neither do the records show any juridical tie or tenurial relationship between the parties' predecessors-in-interest. The questioned lot is allegedly declared

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for taxation purposes in the name of petitioners' father, Dalmacio Arzaga who does not appear to have any connection with the private respondents nor with their alleged predecessor-in-interest, Caridad Fuentebella.

5. **REMEDIAL LAW; COURTS; JURISDICTION; THE TRIAL COURT HAS JURISDICTION OVER THE CASE WHEN TENANCY RELATIONSHIP IS ABSENT.**— In *Chico v. Court of Appeals,* also an action for recovery of possession, the Court was confronted with the same jurisdictional issue. The petitioner therein claimed ownership over the disputed property pursuant to a final judgment, while the respondents asserted right to possession by virtue of an alleged tenancy relationship with one who has no juridical connection with the petitioners. In holding that it is the trial court and not the DARAB which has jurisdiction over the case, the Court ruled that the absence of a juridical tie between the parties or their predecessor-in-interest negates the existence of the element of tenancy relationship.

6. **ID.; ACTIONS; JURISDICTION; JURISDICTION OVER THE SUBJECT MATTER IS DETERMINED BY THE ALLEGATIONS IN THE COMPLAINT; CASE AT BAR.**— The basic rule is that jurisdiction over the subject matter is determined by the allegations in the complaint. Jurisdiction is not affected by the pleas or the theories set up by the defendant in an answer or a motion to dismiss. Otherwise, jurisdiction would become dependent almost entirely upon the whims of the defendant. From the averments of the complaint in the instant case, it is clear that the petitioners' action does not involve an agrarian dispute, but one for recovery of possession, which is perfectly within the jurisdiction of the regional trial courts.

APPEARANCES OF COUNSEL

Mariano R. Pefianco for petitioners.
Daniel P. Dinopol for respondents.

D E C I S I O N

YNARES-SANTIAGO, *J.*:

The core issue at bar is the jurisdiction of the Department of Agrarian Reform Adjudication Board (DARAB) over a dispute

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involving a parcel of land identified as Lot No. 5198, located at Inabasan, San Jose, Antique, measuring approximately 20,521 square meters and declared in the name of petitioners' father, Dalmacio Arzaga under Tax Declaration No. 0245.[1]

On February 28, 1996, the petitioners filed with the Regional Trial Court of San Jose, Antique, Branch 11, a complaint for recovery of possession and damages against the private respondents.[2] They contended that they are the co-owners of Lot No. 5198, being the purchasers thereof in a tax delinquency sale under a Certificate of Sale of Delinquent Real Property dated February 15, 1995.[3] Sometime prior to 1994, private respondents allegedly entered and occupied the disputed property without the consent of the petitioners. Despite several demands, private respondents refused to vacate the premises, hence the petitioners filed a complaint for recovery of possession and damages with the Regional Trial Court of San Jose, Antique, Branch 11, docketed as Civil Case No. 2859.

In their answer with counterclaim,[4] private respondents alleged that they are the amortizing owners of Lot Nos. 5198-A, 5198-B and 5198-D, being the tenant-beneficiaries of one Caridad Fuentebella, the previous owner of Lot No. 5198. As tenant-cultivators of the questioned lot for almost twenty (20) years, private respondent Prudencio Calandria was issued Emancipation Patent No. 500577 and Transfer Certificate of Title (TCT) No. E.P. No. 904 over Lot No. 5198-D, containing an area of 7,808 square meters; and E.P. No. 500575 and TCT No. E.P. No. 902 over Lot No. 5198-B, with an area of 6,024 square meters. On the other hand, private respondent Salvacion Copias, through her husband, Leoncio I. Copias, was issued Emancipation Patent No. 500576 and TCT No. E.P. No. 903 over Lot No. 5198-A, with an area of 6,367 square meters. They prayed that the complaint be dismissed on the ground that the subject matter

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[1] Declaration of Real Property, Annex "A", Records, p. 5.

[2] Records, p. 1.

[3] Annex "B", Records, p. 6.

[4] Records, p. 14.

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thereof was cognizable by the DARAB and not by the regular courts, because the controversy involves an agricultural tenancy relationship.

At the pre-trial conference held on September 10, 1996, the parties stipulated the following facts — "(a) That Lot Nos. 5198-A, 5198-B, and 5198-D are parts of Lot No. 5198 situated at Barangay Inabasan, San Jose, Antique, all of which are agricultural lands devoted to agriculture; (b) that the defendant Prudencio Calandria was issued Emancipation Patents and, consequently Transfer Certificate of Title No. E.P. No. 904 over Lot No. 5198-[D] and Transfer Certificate of Title No. EP. No. 902 over Lot No. 5198-B; (c) that Transfer Certificate of Title No. E.P. No. 903 covering Lot No. 5198-A was issued to one Leoncio Copias; (d) that Lot No. 5198 is declared in the name of Dalmacio Arzaga under Tax Declaration No. 0245; (e) that a Certificate of Sale of Delinquent Real Property to Purchaser dated February 15, 1995 and covering Lot No. 5198 was executed in favor of Rodolfo and Francis both surnamed Arzaga; and (f) that Transfer Certificates of Title No. E.P. No. 902 covering Lot No. 5198-[B], E.P. No. 903 covering Lot No. 5198-A and E.P. No. 904 covering Lot No. 5198-D are existing."[5]

On October 1, 1996, the trial court issued a resolution dismissing the case on the ground of lack of jurisdiction.[6] It ruled that the case was cognizable by the DARAB because it involved possession and ownership of agricultural lands, as well as issuance of emancipation patents. The dispositive portion of the assailed resolution states —

> WHEREFORE, for all the foregoing considerations, the present action of the plaintiffs RODOLFO ARZAGA and FRANCIS ARZAGA is hereby dismissed as this Court is bereft of jurisdiction over the same. In consequence, the compulsory counterclaim of the defendants SALVACION COMAS and PRUDENCIO CALANDRIA is likewise hereby dismissed.

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[5] Order, Records, p. 38.

[6] Penned by Judge Nery G. Duremdes.

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No costs.

SO ORDERED.[7]

Petitioners appealed to the Court of Appeals which affirmed *in toto* the assailed resolution of the trial court.[8] A motion for reconsideration of the said decision was denied on February 4, 2002.[9]

Hence, the petitioners filed the instant petition contending that the Court of Appeals erred in affirming the trial court's dismissal of the case at bar on the ground of lack of jurisdiction.

The petition is impressed with merit.

Under Rule II, Section 1, paragraph (a), of the Revised Rules of Procedure of the Department of Agrarian Reform and Adjudication Board, the DARAB exercises primary jurisdiction — both original and appellate — to determine and adjudicate all agrarian disputes, cases, controversies, and matters or incidents involving the implementation of agrarian laws and their implementing rules and regulations.[10] Agrarian dispute refers to any controversy relating to tenurial arrangements, whether leasehold, tenancy, stewardship or otherwise, over lands

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[7] Records, p. 68.

[8] Penned by Associate Justice Bienvenido L. Reyes, and concurred in by Associate Justices Eubulo G. Verzola and Marina L. Buzon.

[9] *Rollo*, p. 23.

[10] SECTION 1. *Primary, Original and Appellate Jurisdiction.* — The Agrarian Reform Adjudication Board shall have primary jurisdiction, both original and appellate, to determine and adjudicate all agrarian disputes, cases, controversies, and matters or incidents involving the implementation of the Comprehensive Agrarian Reform Program under Republic Act No. 6657, Executive Order Nos. 229, 228 and 129-A, Republic Act No. 3844 as amended by Republic Act No. 6389, Presidential Decree No. 27 and other agrarian laws and their implementing rules and regulations.

Specifically, such jurisdiction shall extend over but not be limited to the following:

a) Cases involving the rights and obligations of persons engaged in the cultivation and use of agricultural land covered by the Comprehensive Agrarian Reform Program (CARP) and other agrarian laws; x x x.

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devoted to agriculture, including disputes concerning farmworkers associations or representation of persons in negotiating, fixing, maintaining, changing or seeking to arrange terms or conditions of such tenurial arrangements.[11]

In *Monsanto v. Zerna*,[12] it was held that for DARAB to have jurisdiction over a case, there must exist a tenancy relationship between the parties. In order for a tenancy agreement to take hold over a dispute, it would be essential to establish all its indispensable elements to wit: (1) the parties are the landowner and the tenant or agricultural lessee; (2) subject matter of the relationship is an agricultural land; (3) there is consent between the parties to the relationship; (4) that the purpose of the relationship is to bring about agricultural production; (5) there is personal cultivation on the part of the tenant or agricultural lessee; and (6) the harvest is shared between the landowner and the tenant or agricultural lessee.

In the case at bar, the element that the parties must be "the landowner and the tenant or agricultural lessee", on which all other requisites of the tenancy agreement depends, is absent. Tenancy relationship is inconsistent with the assertion of ownership of both parties. Petitioners claim to be the owners of the entire Lot No. 5198, by virtue of a Certificate of Sale of Delinquent Real Property, while private respondents assert ownership over Lot Nos. 5198-A, 5198-B and 5198-D on the basis of an Emancipation Patent and Transfer Certificate of Title. Neither do the records show any juridical tie or tenurial relationship between the parties' predecessors-in-interest. The questioned lot is allegedly declared for taxation purposes in the name of petitioners' father, Dalmacio Arzaga who does not appear to have any connection with the private respondents nor with their alleged predecessor-in-interest, Caridad Fuentebella.

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[11] Section 3(d) of Republic Act No. 6657.

[12] G.R. No. 142501, 7 December 2001; citing *Laguna Estates Development Corporation v. Court of Appeals*, G.R. No. 119357, 5 July 2000, 335 SCRA 29.

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In *Chico v. Court of Appeals*,[13] also an action for recovery of possession, the Court was confronted with the same jurisdictional issue. The petitioner therein claimed ownership over the disputed property pursuant to a final judgment, while the respondents asserted right to possession by virtue of an alleged tenancy relationship with one who has no juridical connection with the petitioners. In holding that it is the trial court and not the DARAB which has jurisdiction over the case, the Court ruled that the absence of a juridical tie between the parties or their predecessor-in-interest negates the existence of the element of tenancy relationship. Thus —

> The complaint filed by petitioner before the trial court is one for recovery of possession, also known as *accion publiciana*, and it is this averment of the complaint that has conferred jurisdiction on that court. In order for a tenancy relation to take serious hold over the dispute, it would be essential to first establish all its indispensable elements, to wit: (1) That the parties are the landowner and the tenant or agricultural lessee; (2) that the subject matter of the relationship is an agricultural land; (3) that there is consent between the parties to the relationship; (4) that the purpose of the relationship is to bring about agricultural production; (5) that there is personal cultivation on the part of the tenant or agricultural lessee; and (6) that the harvest is shared between the landowner and the tenant or agricultural lessee. It is not enough that these requisites are alleged; these requisites must be shown in order to divest the regular court of its jurisdiction in proceedings lawfully began before it. These conditions have not been met in the case at bar.
>
> The records of the case would fail to show any juridical tie binding between private respondents and petitioner or their predecessors-in-interest, let alone that which would so characterize the relationship as an agrarian dispute. It would appear that the owner of the land, Don Rafael Chico, gave the property to petitioner Pedro Chico in 1954 and, since then, the latter or his representative had taken over the land and had exercised acts of ownership thereover. There was no evidence adduced that any tenancy agreement had been concluded between Pedro Chico and private respondent Martin Mananghaya. Indeed, the latter admitted that he only dealt with Delfin Chico, the

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[13] 348 Phil. 37 (1998).

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son of the late Don Rafael Chico. Worse, the land subject matter of the controversy was not shown to be an agricultural land; to the contrary, the land would appear to be located within a residential area, in Barangay Sta. Barbara, Baliuag, Bulacan, adjacent to the National Highway. On the disputed parcel, a mere 3,865 square meters, was the old residential house of petitioner, as well as the portion occupied by private respondents consisting of an area of 500 square meters, and a few mango trees, numbering about seven or eight. Compounding the matter, no receipt, or any other evidence, was presented by private respondents to prove their claim that the harvest was shared between petitioners and private respondents.[14]

The basic rule is that jurisdiction over the subject matter is determined by the allegations in the complaint. Jurisdiction is not affected by the pleas or the theories set up by the defendant in an answer or a motion to dismiss. Otherwise, jurisdiction would become dependent almost entirely upon the whims of the defendant.[15] From the averments of the complaint in the instant case, it is clear that the petitioners' action does not involve an agrarian dispute, but one for recovery of possession, which is perfectly within the jurisdiction of the regional trial courts.

WHEREFORE, in view of the foregoing, the instant petition is *GRANTED* and the decision of the Court of Appeals in CA-G.R. No. CV No. 56123, is *REVERSED* and *SET ASIDE*. The case is *REMANDED* to the Regional Trial Court of San Jose, Antique, Branch 11, which is directed to reinstate the complaint and resume the proceedings in Civil Case No. 2859.

SO ORDERED.

Davide, Jr., C.J. (Chairman), Vitug, Carpio, and *Azcuna, JJ.*, concur.

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[14] *Id.*, at 41-42.

[15] *Sta. Clara Home Owners Association v. Gaston*, G.R. No. 141961, 23 January 2002; citing *Commart (Phils.), Inc. v. Securities and Exchange Commission*, G.R. No. 85318, 3 June 1991, 198 SCRA 73.