SUPREME COURT
THIRD DIVISION

RAMONA T. LOGRONIO, CONSUELO T. LEDUNA, PRESENTACION T. TORRES, EDITH MONTENEGRO, LITA S. TIÑA, and SEVERINO DUHAYLUNGSOD,
***Petitioners*,**

-versus-

G.R. No. 134602
August 6, 1999

ROBERTO TALESEO,[1] **LUCIO TALESEO JR., JOVITA TALESEO, CONCEPCION TALESEO, TEODORO TALESEO, RAMON GUINTUGAO, NILDA GUINTUGAO, JOSE GUINTUGAO, DOLORES GUINTUGAO, PERLA GUINTUGAO, ERNESTO TALESEO and RODORO T. PINANUNANG,**
***Respondents*.**
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D E C I S I O N

PANGANIBAN, *J.*:

As a general rule, courts can take cognizance only of the issues pleaded by the parties. As an exception, matters not raised may also be considered when they are closely related to the issues identified or are necessary and indispensable to their resolution.

The Case

Before us is a Petition for Review on Certiorari assailing the January 25, 1998 Decision[2] of the Court of Appeals (CA),[3] which disposed as follows:[4]

> "WHEREFORE, the appealed Decision is MODIFIED in that [herein respondents] are declared the owners and possessors of Parcel No. 1 which is covered by TD No. 85-19-1119. Cost against the [herein petitioners]."

On the other hand, the trial court[5] Decision,[6] which was modified by the CA, had ruled as follows:[7]

> "WHEREFORE, judgment is hereby rendered:
>
> 1. Declaring [herein petitioners] the true and lawful owner[s] of the parcels of land described and covered by Tax Declaration No. 85-19-115 (Exhibit '8-e') in the name of Manuel Tiña and that parcel of land under Tax Declaration No. 926 in the name of Lucio Taliseo.
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> 2. Ordering [herein respondents] to vacate the two (2) parcels of land as enumerated in paragraph one (1) of the dispositive portion of this decision and prohibit[ing] [herein respondents] or their agent from molesting, interfering and preventing [herein petitioners] from their useful occupation, cultivation and enjoyment of the said parcels of land which are hereto adjudicated to them.
>
> '3. Ordering the [herein respondents] to pay [herein petitioners] P2,000.00 attorney's fees; P10,000.00 moral damages and costs of the proceedings."

Also assailed is the CA Resolution denying reconsideration.[8]

The Facts

As found by the Court of Appeals, the facts of this case are as follows:[9]

> "Lucio Taliseo was the owner of two parcels of land situated in Maninihan, Bayawan, Negros Oriental herein referred to as Parcel No. 1 and Parcel No. 2. Parcel No. 1 has an area of 44,672 square meters and was tax declared in his name in 1919 under TD No. 2088 (Exhibit A). Now, it is covered by TD 85-19-1919 (Exhibit 8-E) in the names of Manuel Tiña, et al. Parcel No. 2 has an area of 48,813 square meters now covered by TD 926 and OCT No. PV-19372 in the name of the heirs of Eugenia Tugbu. On May 3, 1922, Lucio Taliseo executed an untitled document in the Spanish language (Exhibit 7) by virtue of which, for P200.00, he sold Parcel No. 1 to Basilio Tiña with a right of repurchase within a period of four (4) years from the execution of said deed. For unclear reasons, Basilio Tiña took possession not only of Parcel No. 1 but also of Parcel No. 2 and farmed them.
>
> "Lucio Taliseo failed to repurchase Parcel No. 1 within the stipulated period which expired on May 3, 1926. Subsequently, this land was tax declared in the name of Basilio Tiña in TD 9351 (Exhibit 8) on August 28, 1936. This was cancelled successively by TD 888 (Exhibit 8-A) in 1949, TD 9928 (Exhibit 8-B) in 1967, and in TD-00521 (Exhibit 8-C) in 1974 all in his name. Upon the death of Basilio Tiña in 1957, his heirs Manuel Tiña, et al. caused the cancellation of the last tax declaration in the name of their father and a new one was issued in their names. This was TD 6211 (Exhibit 8-D) issued in 1980 which was cancelled by TD-85-19-1119 (Exhibit 8-E) still in their names. Taxes over this land from 1967 to 1986 were paid by Basilio Tiña and after his death, by his heirs per Certification (Exhibits 9 and 9-a) of the Municipal Treasurer's Office in Bayawan.

> "On January 12, 1957, Lucio Taliseo and his children entered upon and dispossessed the heirs of Basilio Tiña of Parcels Nos. 1 and 2, [the] reason for which [was that], on February 1, 1957, after the death of Basilio Tiña, his widow, Leoncia Tiña filed a Complaint for Forcible Entry (Exhibit 1) against the former. On March 15, 1960, the Justice of the Peace Court of Bayawan rendered a Decision (Exhibit 2) ejecting the Taliseos from the two parcels of land. While th[e] appeal was pending, the following significant developments took place: a) principal plaintiff Leoncia de Tiña and principal defendant Lucio Taliseo died and were substituted in the suit by their respective heirs; b) Josefa Taliseo applied for Free Patent over Lot 183, PLS-764-D with an area of 39,959 square meters which corresponds to Parcel No. 2. This was approved and OCT No. PV-19372 was issued in the name of the heirs of Eugenia Tugbu, the first wife of Lucio Taliseo. On March 26, 1979, the lower court issued an Order (Exhibit 3) dismissing the appeal. On the same day, a Writ of Execution was issued to enforce the affirmed judgment. The writ however was never enforced.
>
> "While holding on to the said properties, the Taliseos took the offensive by filing on January 18, 1985 Civil Case No. 8575 for quieting of title with damages against the heirs of Basilio Tiña. The Complaint was amended twice. In the Second Amended Complaint, Parcel No. 2 was deleted. In their Answer to Second Amended Complaint, however, the [herein petitioners] counterclaimed that they [were] the owners of Parcel No. 2; and that the title over said land in the name of the heirs of Eugenia Tugbu, the first wife of Lucio Taliseo, was secured fraudulently. They prayed that they be declared the owners of Parcel Nos. 1 and 2; that the Decision in Civil Case No. 597 be revived and a writ of execution to enforce it be issued; and the [herein respondents] be ordered to pay them the damages and attorney's fee in the amount therein mentioned. Resultantly, Parcel No. 1 was the only subject of the Complaint while Parcel No. 2, of the Counterclaim."

In its August 2, 1991 Decision, the regional trial court (RTC) ruled in favor of herein petitioners, declaring them owners of the two parcels of land. Respondents, in the "Assignment of Errors" in their

Appellants' Brief, disputed the RTC ruling regarding Parcel No. 1 only, although their arguments also tackled their ownership of Parcel No. 2. The CA modified the RTC Decision and awarded ownership of Parcel No. 1 to herein respondents. In effect, it sustained the RTC ruling that petitioners were the owners of Parcel No. 2.

Hence, petitioners filed this recourse to this Court. 10 Respondents, on the other hand, did not question the CA Decision.

Ruling of the Court of Appeals

The Court of Appeals ruled that herein petitioners, through their inaction for 39 years, were barred by laches from asserting ownership and possession of the property in dispute:

> "First of all, the only subject of this appeal is Parcel No. 1. The lone assignment of error as well as the prayer in plaintiff-appellants' brief pertains only to Parcel No. 1. Henceforth, this land shall be referred to as the land in question. The adjudication of the lower court regarding Parcel No. 2, is therefore, undisturbed.
>
> "The fact that stands out in this case is the continuous, public and adverse possession of the plaintiff-appellants over the land in question from 1957 up to the present, a period of 41 years.
>
> "Note that after the finality of the Decision in the 1957 Forcible Entry Case, the defendant-appellees folded their arms and lifted no finger nor raised a voice to get back the land. True, in the Amended Answer in Civil Case No. 8575, they counterclaimed for the recovery of a parcel of land and the nullification of a title but this referred to Parcel No. 2 and not the land in question herein. '*Currit tempus contra decides et sui juris contemptores*.' (Time runs against the slothful and those who neglect their rights).
>
> "It may be conceded that the possession by the plaintiff-appellants is in bad faith considering that there was a final judgment ejecting them from said land. The fact remains however that they stood their ground and no one molested their

possession through all of those years. The law on extraordinary acquisitive prescription states:

> 'ARTICLE 1137. Ownership and other real rights over immovables also prescribe through uninterrupted adverse possession thereof for thirty years, without need of title or of good faith.'

"Defendant-appellees have really slept on their rights. Why did they not pursue the execution of the decision in Civil Case No. 597 (Forcible Entry) after the dismissal of the appeal? After the lapse of 5 years but before 10 years from the finality of said Decision, why did defendant-appellees not file an action to revive said judgment and enforce it? After the lapse of said period, why did the defendant-appellees not file suit for *reivindication* or *accion publiciana* to recover said land from the plaintiff-appellants? In short, laches has already set in to bar defendant-appellees from asserting ownership and right of possession over said property.

> 'When a person slept [o]n his rights for 28 years from the time of the transaction, before the filing the action amounts to laches which cannot be excused even by ignorance resulting from inexcusable negligence.' (Garbin vs. Court of Appeals, 253 SCRA 187)

> 'Laches has been defined as the failure or neglect, for an unreasonable and unexplained length of time, to do that which by exercising due negligence could [or] should have been done earlier, it is negligence or omission to assert a right within a reasonable time, warranting a presumption that the party entitled to assert it either has abandoned it or declined to assert it.' (Republic vs. Sandiganbayan, 255 SCRA 438)

"So much discussion in the appealed decision and [i]n the briefs of the parties was devoted [to] the nature of the untitled deed in Spanish (Exhibit 7) and [to] whether the loan was paid or the lands were repurchased. All of these incidents were so much water under the bridge and the efforts to unravel their nature

and to determine compliance therewith were so much wasted disputations. These incidents, alas, have been mooted by the unalterable fact that plaintiff-appellants have been in continuous, open, adverse and peaceful possession of the land in question for 41 years. Whatever dominical or possessory rights, the [petitioners] may have acquired in consequence of their possession anterior to 1957 went up in smoke during their long slumber.

"Not even their tax declarations [or] their tax receipts over the land in question can carry the day for the defendant-appellees. Without possession of the property, these evidences give them [neither] ownership nor right to the possession of the land which they have long abandoned. (Heirs of Placido Miranda vs. Court of Appeals, 255 SCRA 368)

"All told, this Court finds the lower court to have missed a very vital point — the appreciation of the 41 continuous years of possession of the plaintiff-appellants which have ripened into ownership. To that extent, it has erred."

The Issue

Petitioners impute to the Court of Appeals the following error:[11]

"The Honorable Court of Appeals gravely erred in holding that the Tiñas lost or relinquished their right in and over the lot covered by TD No. 85-19-1119 in favor of the Taleseos by laches."

Specifically, they raise the following questions:[12]

"1. Question of law — May the Court of Appeals on its own apply the principle of laches to transfer ownership of land from one party to another even if not one of the parties invoked the same during [the] trial or on appeal?

2. Misapprehension of facts — On the assumption that the Court of Appeals can apply the principle of laches even if it is not pleaded, raised or invoked, the fact still remains that the said Court's appreciation and conclusion that the Tiñas are guilty of laches because they slept on their rights for 41 years is based on a misapprehension of facts."

The Court's Ruling

The appeal is devoid of merit.

First Issue: Although Laches Was Not Pleaded by the Parties, May the CA Consider It?

Citing Section 1, Rule 9 of the Rules of Court, which states that defenses not pleaded are deemed waived, petitioners contend that the Court of Appeals erred in relying on laches. This principle, they allege, was not raised in respondents' Complaint before the trial court or in their appeal to the CA. They further contend that the exception to the aforesaid rule is misapplied. In the cases cited by respondents — Catholic Bishop of Balanga vs. Court of Appeals[13] and Dando vs. Fraser[14] — the appellate court considered a matter not assigned, either because (1) it was closely related to an assigned error, or (2) it was raised in the trial court. In the present case, petitioners maintain that laches was not raised at any stage of the proceedings. Neither is it closely related to the errors invoked. Thus, they conclude that the CA should not have considered laches in disposing of this case.

We disagree. It is well-settled that appellate courts have ample authority to rule on matters not assigned as errors in an appeal, if these are indispensable or necessary to the just resolution of the pleaded issues.[15] In Hernandez vs. Andal,[16] this Court held:

> "While an assignment of error which is required by law or rule of court has been held essential to appellate review, and only those assigned will be considered, there are a number of cases which appear to accord to the appellate court a broad discretionary power to waive the lack of proper assignment of errors and consider errors not assigned. And an unassigned error closely related to an error properly assigned, or upon

> which the determination of the question raised by the error properly assigned is dependent, will be considered by the appellate court notwithstanding the failure to assign it as error."

In this case, the single contention of respondents before the Court of Appeals was that "the lower court erred in holding that [herein petitioners] are the owners of [Parcel No. 1]."[17] In the resolution of this issue, laches is obviously necessary and indispensable. Indeed, it would be patent and glaring negligence on the part of the appellate court magistrates to close their eyes to the existence of laches. Once a court acquires jurisdiction over a case, it has wide discretion to look upon matters which, although not raised as an issue, would give life and meaning to the law. Ignoring laches in this case is an abdication of the judiciary's primordial objective: the just resolution of disputes.

Citing Navera vs. Court of Appeals,[18] petitioners also allege that laches, like prescription, "must be expressly relied upon in the pleadings and cannot be availed of, unless pleaded in the appropriate pleading. It must be proved or established with the same degree of certainty as any other essential allegation in the action. One who asserts ownership by adverse possession must prove the presence of the essential elements of acquisitive prescription."[19]

Navera, however, is inapplicable because it involved prescription, not laches. Nowhere in that case did this Court rule that laches and prescription were the same. In Nielson & Co., Inc. vs. Lepanto Consolidated Mining Co.,[20] the Court differentiated the two in this wise:

> "The defense of laches applies independently of prescription. Laches is different from the statute of limitations. Prescription is concerned with the fact of delay, whereas laches is concerned with the effect of delay. Prescription is a matter of time; laches is principally a question of [the] inequity of permitting a claim to be enforced, this inequity being founded on some change in the condition of the property or the relation of the parties. Prescription is statutory; laches is not. Laches applies in equity; whereas prescription applies [in] law. Prescription is based on fixed time, laches is not."

Being a defense in equity, laches need not be specifically pleaded. On its initiative, a court may consider it in order to prevent inequity.

Second Issue: Did the CA Misappreciate the Facts?

Petitioners contend that the Court of Appeals misappreciated the facts in ruling that they had slept on their rights for more than forty-one years. Again, we disagree. The facts established from the records are summarized below:

1. On May 3, 1992, respondent's predecessor Lucio Taleseo executed a document denominated as "Sale with Right of Repurchase" (Exh. "7") conveying the lots in litigation to petitioners' predecessor Basilio Tiña, subject to the right of Lucio Taleseo to repurchase within four (4) years or up to year 1926. (p. 6, Decision of the RTC, Annex "C" hereof).

2. As soon as said document was executed, Basilio Tiña took over possession of the lots and used them to cultivate rice.

3. Lucio Taleseo failed to repurchase the property in 1926 and so Basilio Tiña continued to possess the property, had the same declared in his name (Exhs. "8-a" to "8-3"), and paid the taxes thereon (Exhs. "9" to "9-a").

4. In 1957, for the first time since [the] 1922 (execution of the *pacto de retro*), the children of Lucio Taleseo (herein referred to as the Taleseos) laid claim on, and forcibly entered, the property and drove away the tenants of Leoncia Tiña, wife of Basilio Tiña (RTC Decision, Annex "C", p. 6).

5. The Tiñas filed a replevin and forcible entry case (Civil Case No. 597) in the Municipal Court of Bayawan against the Taleseos. (Exh. "2").

6. The Municipal Court of Bayawan decided in favor of the Tiñas on March 15, 1960 and ordered the Taleseos to vacate the property. (Exh. "2").

7. The Taleseos appealed to the RTC of Negros Oriental, but said Court dismissed the appeal for failure to prosecute on March 26, 1979 (Exh. "3").

8. The decree of ejectment was never executed. Neither was an action for execution of judgment ever filed.

9. The Taleseos filed the present case for quieting of title on January 15, 1985.

From the foregoing, it is clear that petitioners have made no move to enforce the March 15, 1960 Decision of the inferior court ejecting the Taleseos from the property in dispute. In fact, the present case was commenced by the respondents in order to have their title to said lot quieted. In this light, the CA did not err in holding that the rights of petitioners were barred by laches.

> "Laches has been defined as the failure or neglect for an unreasonable and unexplained length of time, to do that which by exercising due diligence could or should have been done earlier; it is negligence or omission to assert a right within a reasonable time, warranting a presumption that the party entitled to assert it either has abandoned it or declined to assert it."[21]

Clearly, the thirty-nine-year inaction of the Tiñas to enforce the 1960 Decision amounts to laches. Indeed, from the time the said Decision was handed down until respondents filed a case for the quieting of title, petitioners did not do anything to implement the judgment. They did not file a motion to enforce the Decision within the prescribed period of 5 years from notice of entry of judgment; neither did they institute a complaint to revive the said ruling within 10 years.[22]

For having slept on their rights for thirty-nine years, petitioners, through laches, have lost their right to lay claim on the land.

WHEREFORE, the Petition is **DENIED**. Costs against petitioners.

SO ORDERED.

Melo, Vitug, Purisima and Gonzaga-Reyes, *JJ.*, concur.

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[1] "Taleseo," which was the spelling used by the respondents themselves in their pleadings, was spelled "Taliseo" by the Regional Trial Court and the Court of Appeals in their Decisions.
[2] Penned by Justice Hilarion L. Aquino; concurred in by Justices Emeterio C. Cui, chairman, and Ramon U. Mabutas Jr., member.
[3] Third Division.
[4] Rollo, p. 47.
[5] Regional Trial Court of Dumaguete City, Branch 43.
[6] Written by Judge Daniel B. Bernaldez Sr.
[7] Rollo, p. 39.
[8] Rollo, p. 52.
[9] CA Decision pp. 2-4; Rollo, pp. 41-43.
[10] The case was deemed submitted for resolution on May 3, 1999, upon receipt by this Court of petitioners' Reply Memorandum.
[11] Petition, p. 6; Rollo, p. 15.
[12] Petitioners' Memorandum, pp. 5-6; Rollo, pp. 75-76.
[13] 264 SCRA 181, November 14, 1996.
[14] 227 SCRA 126, October 8, 1993.
[15] Saura Import and Export Co., Inc. vs. Philippine International Surety Co., Inc., 8 SCRA 143, May 31, 1963; Miguel vs. Court of Appeals, 29 SCRA 760, October 30, 1969; Sociedad Europea de Financion, S.A. vs. Court of Appeals, 193 SCRA 105, January 21, 1991; Larobis vs. Court of Appeals, 220 SCRA 639, March 30, 1993.
[16] 78 Phil 196, March 29, 1947, per Tuason, J; citing 4 C.J.S. 1734 and 3 CJ 1341.
[17] CA Decision, p. 4; Rollo, p. 43.
[18] 184 SCRA 584, April 26, 1990.
[19] Petitioners' Reply Memorandum, p. 4; Rollo, p. 96.
[20] 18 SCRA 1040, December 17, 1966, per Zaldivar, J.; Heirs of Lacamen vs. Heirs of Laruan, 65 SCRA 609, July 31, 1975, Radio Communication of the Philippines, Inc. vs. NLRC, 223 SCRA 656, June 25, 1993; Jimenez vs. Fernandez, 184 SCRA 196, April 6, 1990, Santiago vs. Court of Appeals, 278 SCRA 98, August 21, 1997; Agra vs. Philippine National Bank, GR No. 133317, June 29, 1999.
[21] Espano Sr. vs. Court of Appeals, 268 SCRA 511, February 17, 1997, per Hermosisima Jr., J.; Chavez vs. Bonto-Perez, 242 SCRA 73, March 1, 1995; La Campana Food Products, Inc. vs. Court of Appeals, 223 SCRA 151, June 4, 1993; Radio Communications of the Philippines, Inc. vs. National Labor

Relations Commission, 223 SCRA 656, June 25, 1993; Bergado vs. Court of Appeals, 173 SCRA 497, May 19, 1989.

[22] Section 6, Rule 39 of the Rules of Court.