

**ALFREDO C. PANLILIO AND MANUEL L. KATIGBAK,
PETITIONERS-APPELLANTS, VS. HONORABLE GREGORIO N. GARCIA,
PRESIDING JUDGE, BRANCH I, CITY COURT OF MANILA, AND
AMERICAN MACHINERY & P...**

G.R. No. L-29038. December 27, 1982

Ponente: RELOVA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/851b67ee8237/>

RELOVA, J.:

Records show that on May 16, 1966 herein private respondent American Machinery and Parts Manufacturing, Inc. filed a complaint in the City Court of Manila against herein petitioners Alfredo C. Panlilio and Manuel L. Katigbak to collect payment of costs of various tractor parts allegedly purchased on credit by the latter in the amount of P4,078.88. The case was docketed as Civil Case No. 148803 and assigned to Branch I, presided by respondent Judge Gregorio Garcia.

Petitioners filed their answer, denying the claim and alleging the defenses that (a) they never purchased on credit from private respondent the various tractor parts mentioned in the complaint; (b) granting arguendo that there was a purchase order of the said tractor parts, the corresponding sales invoices of the merchandise were never issued by the respondent; (c) the alleged sales invoices covering said merchandise were never forwarded to the office of petitioners for their signatures acknowledging the receipt of the goods in good order and condition; and (d) petitioners did not authorize any person to sign and receive the said merchandise for and in their behalf.

According to petitioners, when the case was called for hearing on August 11, 1966, both parties were present and private respondent presented its evidence - testi-monial and documentary - in support of the material allegations in the complaint; that after respondent had presented its evidence and rested its case, their counsel, Atty. Ulyses Ortillo, moved for continuance to allow them ample time and opportunity to prepare and present their evidence, and inasmuch as it was already around twelve o'clock noon; that notwithstanding the repeated requests of petitioners' counsel, respondent City Judge orally denied them in open court and right there and then considered the case submitted for decision; and, that on the same day, respondent judge rendered a decision in said Civil Case No. 148803, as follows:

"It appearing after trial that from the evidence, documentary and testimonial, adduced by both parties, the preponderance of such evidence in favor of plaintiff and against defendants.

"WHEREFORE, judgment is hereby rendered, ordering defendants - to pay unto plaintiff, jointly and severally the sum of P4,078.88 with interest thereon at the rate of 1 per cent per month from October 30, 1965, until fully paid; the further sum of P400.00 as and for attorney's fees, plus the costs of suit."

Further, petitioners claim that their counsel received a copy of the City Court's decision on August 30, 1966, through the secretary of their counsel when the latter was in San Fernando, La Union; that on September 13, 1966, petitioner's counsel, Atty. Ulyses P. Ortillo, became ill and, as a consequence, he was not able to perfect the appeal from the decision within the reglementary period.

On October 29, 1966, petitioners filed a petition for relief from judgment and for new trial in the Court of First Instance of Manila, docketed as Civil Case No. 67387 and assigned to Branch II of said court, presided by then Judge Jose N. Leuterio.

On November 12, 1966, Judge Leuterio, in said Civil Case No. 67387, issued an order, as follows:

"The petition for relief from judgment not sufficient in form and in substance, the same is hereby DISMISSED, without pronouncement as to costs."

Petitioners filed a motion for reconsideration but the lower court, on November 28, 1966, issued an order denying it on the ground that -

"The amended petition does not contain the affidavit of merit constituting the good and the valid defense of the plaintiffs. It does not include the affidavits of Atty. Ulysses P. Ortillo and the plaintiff Alfredo C. Panlilio stating the reason why the appeal had not been filed on time, and why the original petition was not accompanied should be denied. (sic) A reading further of the affidavit copy of the decision on August 30, 1966, (sic) thru his secretary that from September 2 to September 13, 1966, he was in La Union. This does not constitute excusable negligence. The negligence of the secretary in failing to inform Atty. Ortillo of the receipt of the decision is not excusable. If this rea-son is countenanced, then every lawyer can allege excusable negligence by merely stating or eligibly alleging that the decision came to his knowledge much later.

"In view of the foregoing, the motion for reconsideration is DENIED."

A second motion for reconsideration was filed, but again, the same was denied on the ground that "the failure of the defendants to appear does not constitute excusable negligence."

From the orders of the lower court dismissing the petition for relief, herein petitioners brought the matter to the Court of Appeals which, however, dismissed the same on the ground that "when appellants perfected their appeal on February 13, 1967, the appeal was perfected 24 days late."

Thereafter, on January 8, 1968, petitioners filed a petition with the Court of First Instance of Manila, docketed as Civil Case No. 71703 and assigned to Branch XVI of said court, presided by then Judge Juan L. Bocar, seeking to annul the decision of the City Court "for having been rendered by respondent judge in clear viola-tion of the due process of law, clauses of the constitu-tion"; and praying that in the meantime, respondent judge be ordered "to desist and refrain from enforcing and making effective the decision dated August 11, 1966."

On January 18, 1968, the trial court issued an order restraining herein respondents" from enforcing and making effective the decision in Civil Case No. 148803 of the City Court of Manila, dated August 11, 1966, and all writs, orders, processes, or acts in connection therewith."

Private respondent filed a MOTION TO DISMISS the petition on the grounds that (1) the present action is barred by prior judgment; and (2) the complaint does not state a cause of action.

On February 17, 1968, the lower court handed down its order dismissing the petition, in the following tenor:

"This case was originally filed in Branch I of the City Court of Manila. Decision was rendered in favor of the plaintiff. Before Branch II of this Court, defendants filed a petition to set aside the abovementioned decision but was denied. On two motions for reconsideration, the said motions were also denied. Petitioners appealed to the Court of Appeals where said appeal was also dismissed.

"They now come to this court to set aside the original decision, but upon careful study of the pleadings submitted, the Court has reached the conclusion that this petition is with-out merit. Petitioners had already exhausted and availed of all possible remedies granted them by and the same have been denied.

"Petition, therefore, is ordered dismissed without pronouncement as to costs.

"The restraining order issued by this Court on January 18, 1968, is hereby lifted."

On February 26, 1968, a motion for reconsideration of the above order was filed by petitioners.

On March 5, 1968, the trial court issued an order, denying the motion "for lack of merit."

We find the position of the petitioners untenable. In the first place, the three (3) orders issued by the Court of First Instance of Manila, Branch II, dated November 12, 1966, November 28, 1966 and January 10, 1967, all denying the petition for relief from judgment on the ground that failure of the defendants (herein petitioners) to appeal the judgment of the City Court does not constitute excusable negligence, were all brought on appeal to the Court of Appeals which, in its resolution, dated September 7, 1967, denied them on the ground that the appeal was filed out of time. As aptly stated by the lower court in its order, dated February 17, 1968, "petitioners had already exhausted and availed of all possible remedies granted them and the same had been denied."

Secondly, a final judgment may be annulled on the ground of lack of jurisdiction, fraud, or that it is contrary to law. It cannot be said that the City Court had no jurisdiction in trying the complaint for sum of money in the amount of P4,078.88. And, on the question of "fraud", there is no mention in the petition that the judgment in question is tainted therewith; nor was subject decision even alleged to be contrary to law.

ACCORDINGLY, the appeal from the orders of the lower court, dated February 17, 1968 and March 5, 1968, is hereby dismissed and the petition for annulment of the decision of the City Court is hereby denied. With costs against the petitioners.

SO ORDERED.

Teehankee, (Chairman), Melencio-Herrera, Plana, Vasquez, and Gutierrez, Jr., JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.