

**MANILA MOTOR COMPANY, INC., PLAINTIFF AND APPELLEE, VS.
MANUEL T. FLORES, DEFENDANT AND APPELLANT.***G.R. No. L-9396. August 16, 1956*

Ponente: BENGZON, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/d0c784c1fbd2/>**BENGZON, J.:**

In May 1954, Manila Motor Company filed in the Municipal Court of Manila a complaint to recover from Manuel T. Flores the amount of P1,047.98 as chattel mortgage installments which fell due in September 1941. Defendant pleaded prescription: 1941 to 1954. The complaint was dismissed. On appeal, the Court of First Instance saw differently, sustaining plaintiff's contention that the moratorium laws had interrupted the running of the prescriptive period, and that deducting the time during which said laws were in operation—three years and eight months[1] —the ten-year term had not yet elapsed when complainant sued for collection in May 1954. Wherefore said court ordered the return of the case to the municipal judge for trial on the merits.

Defendant appealed, arguing principally that the moratorium laws did not have the effect of suspending the period of limitations, because they were unconstitutional, as declared by this court in *Rutter vs. Esteban*, 49 Off. Gaz. (5) 1807. He cites jurisprudence holding that when a statute is adjudged unconstitutional it is as inoperative as if it had never been passed, and no rights can be built upon it.[2]

Some members expressed doubts as to whether the order of the lower court was appealable in nature; but we agreed not to discuss the point, inasmuch as the question submitted by appellant could speedily be disposed of. In *Montilla vs. Pacific Commercial* [3] we held that the moratorium laws suspended the period of prescription. That was rendered after the *Rutter-Esteban* decision. It should be stated however, in fairness to appellant, that the *Montilla* decision came down after he had submitted his brief. And in answer to his main contention, the following portion is quoted from a resolution of this Court [4]

"2. *Rutter vs. Esteban* (93 Phil., 68) may be construed to mean that at the time of the decision the Moratorium law could no longer be validly applied because of the prevailing circumstances. At any rate, although the general rule is that an unconstitutional statute— 'confers no right, creates no office, affords no protection and justifies no acts performed under it.' (11 Am. Jur., pp. 828, 829.)

there are several instances wherein courts, out of equity, have relaxed its operation (cf. notes in *Cooley's Constitutional Limitations* 8th ed., p. 383 and Notes 53 A. L. R., 273) or qualified its effects 'since the actual existence of a statute prior to such declaration is an operative fact, and may have consequences which cannot justly be ignored (*Chicot County vs. Baster*, 308 U. S., 371) and a realistic approach is eroding the general doctrine (*Warring vs. Colpoys*, 136 Am. Law Rep., 1025, 1030)."

Judgment affirmed, without costs.

Paras, C. J., Padilla, Montemayor, Bautista Angelo, Labrador, Concepcion, Reyes, J. B. L., Endencia, and Felix, JJ., concur.

[1] See *Alcantara vs. Chico*, 49 Off. Gaz. No. 1, p. 150.

[2] *Norton vs. Shelby*, 118 U.S., 425-454; Am. Jur. Vol. 11, p. 827.

[3] 98 Phil., 133

[4] *Araneta vs. Hill*, 93 Phil., 1002.

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.