

**MANILA ELECTRIC COMPANY, PLAINTIFF-APPELLANT, VS.
CUSTOMS ARRASTRE SERVICE AND/OR BUREAU OF CUSTOMS
AND/OR REPUBLIC OF THE PHILIPPINES, DEFENDANTS-APPELLEES.**

G.R. No. L-25515. July 24, 1967

Ponente: BENGZON, J.P., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/e7925f94a7df/>

BENGZON, J.P., J.:

Arriving from San Francisco, the SS "Japan Bear" on March 3, 1963, discharged into the custody of the arrastre service in Manila operated by the Bureau of Customs, two (2) boxes of printed matters, viz., valve charts, and 128 cartons of electric street light controls and spicing tape, consigned to Manila Electric Company. Of the shipment, two (2) cartons of electric street light controls worth P1,873.98 were not delivered.

After demands for recovery of the loss were not satisfied, the Manila Electric Company filed a complaint before the City Court of Manila against the Customs Arrastre Service and/or Bureau of Customs and/or the Republic of the Philippines, and obtained a judgment in its favor.

On appeal to the Court of First Instance of Manila, the defendants moved to dismiss, after which they answered, alleging non-suability. Subsequently, plaintiff amended its complaint to stress the allegations of defendants' capacity to sue and be sued and its prayer to hold defendants jointly and severally liable.

After hearing, the Court of First Instance on November 4, 1965 dismissed the case for the reason that the Republic of the Philippines, the Bureau of Customs (a mere agency of the Republic), and the Arrastre Service (a unit of the Bureau of Customs), may not be sued.

Appeal to Us has been taken by the plaintiff on its belief that the Republic of the Philippines in its operation of the arrastre service through the Bureau of Customs, may be sued.

In *Mobil Philippines Exploration, Inc. v. Customs Arrastre Service and Bureau of Customs*, L-23129, December 17, 1966, We already declared that as part of the governmental machinery, the Bureau of Customs, in operating the arrastre service, does so as an incident of a prime governmental function and as such may not be sued. The same holds true with the Republic of the Philippines.

WHEREFORE, the decision appealed from is hereby affirmed. No costs.

SO ORDERED.

Reyes, JBL, Makalintal, Zaldivar, Sanchez, Ruiz Castro, Angeles, and Fernando, JJ., concur.
Concepcion C.J., and Dizon, J., are on official leave.

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.