PILAR DE GUZMAN, ROLANDO GESTUVO, AND MINERVA GES-TUVO, PETITIONERS, VS. THE HON. COURT OF APPEALS, THE HON. JUDGE PEDRO JL. BAUTISTA, PRESIDING JUDGE OF THE COURT OF FIRST INST...

G.R. No. 52733. July 23, 1985

Ponente: CONCEPCION JR., J.

Read online (full-text search, related cases, audio case brief): https://batas.org/library/g-r-no-52733/

CONCEPCION JR., J.:

Petition for the reversal of the decision of the respondent appellate court which dismissed the petition to annul and set aside the orders of the Court of First Instance of Rizal, Pasay City Branch, dismissing the petitioners' appeal in Civil Case No. 5247-P and to restrain the respondents from enforcing the same. Acting upon the petition, the Court issued a temporary restraining order on May 16, 1980, restraining the respondents from enforcing and/or carrying out the decision in question.[1]

The facts of record show that on February 17, 1971, the petitioners, as SELLER, and the private respondent, as BUYER, executed a Contract to Sell covering two (2) parcels of land owned by the petitioners located at Cementina Street, Pasay City, and covered by TCT Nos. 11326 and 11327 of the Register of Deeds of Pasay City. It was stipulated therein that the private respondent should pay the balance of the purchase price of P133,640.00 on or before February 17, 1975. Two days before the said date, or on February 15, 1975, the private respondent asked the petitioners to furnish her with a statement of account of the balance due; copies of the certificates of title covering the two parcels of land subject of the sale; and a copy of the power of attorney executed by Rolando Gestuvo in favor of Pilar de Guzman. But, the petitioners denied the request. As a result, the private respondent filed a complaint for specific performance with damages against the petitioners before the Court of First Instance of Rizal. The case, however, was dismissed for failure to prosecute. But, the private respondent subsequently refiled the case. The case was docketed in court as Civil Case No. 5247-P. In her complaint, the private respondent charged that the petitioners, by refusing to furnish her with copies of the documents requested, deliberately intended not to comply with their obligations under the contract to sell, as a result of which the said petitioners committed a breach of contract, and had also acted unfairly and in manifest bad faith for which they should be held liable for damages. Answering the complaint, the petitioners claimed that the complaint failed to state a cause of action; that the balance due was already predetermined in the contract; that the petitioners have no obligation to furnish the private respondent with copies of the documents requested; and that the private respondent's failure to pay the balance of the purchase price on the date specified had caused the contract to expire and become ineffective without necessity of notice or of any judicial declaration to that effect.

On November 29, 1977, the trial court rendered a decision approving the compromise agreement submitted by the parties wherein they agreed on the following:

> "1. That, not later than December 18, 1977, plaintiff will pay defendants the total amount of TWO HUNDRED FORTY THOUSAND (P240,000.00) PESOS, Philippine Currency and in case of failure to do so, she shall

have only until January 27, 1978 within which to pay the total amount of TWO HUNDRED FIFTY THOUSAND (P250,000.00) PESOS, Philippine Currency, which shall be treated as complete and final payment of the consideration in the contract to sell, dated February 17, 1971. (Annex 'A', Complaint);

"2. That, immediately upon receipt of either amounts within the periods so contemplated, defendants undertake to immediately execute the necessary legal instruments to transfer to plaintiff the title to the parcels of land subject of the above-mentioned Contract to Sell, free from liens and encumbrances but with the understanding that all the expenses necessary for the issuance of a new Transfer Certificate of Title in favor of plaintiff or her assigns including documentary stamp taxes, science stamp taxes and legal research fund fees shall be for her sole and exclusive account;

"3. That defendants would temporarily desist from enforcing their right or possession over the properties involved herein until January 27, 1978, but this shall not be construed as an abandonment or waiver of its causes of action as embodied in her Complaint in Civil Case No. 12446 entitled 'Pilar de Guzman vs. Wilfredo C. Tan, etc.' for Ejectment pending before Branch IV of the Pasay City Court;

"4. Should plaintiff fail to pay either of the amounts above-stated, within the period herein stipulated, the aforesaid Contract to Sell dated February 17, 1971 shall be deemed rescinded and defendants would immediately enforce its right of possession of the premises and plaintiff agrees to voluntarily surrender and vacate the same without further notice or demand;

"5. That payment of either amounts above-stated shall take place before the Honorable Judge Pedro JL. Bautista in the courtroom of the Court of First Instance of Rizal, Branch III in Pasay City at 10:00 a.m. Friday, January 27, 1978 unless payment has been earlier made, in which case plaintiff shall produce receipt of the same at the said time and place, otherwise defendants shall immediately be entitled to a Writ of Execution on its right of possession over the premises;

"6. Lastly, that both parties waive and abandon, by reason hereof, their respective claims and counterclaims as embodied in the Complaint and Answer."[2]

On January 28, 1978, the petitioners filed a motion for the is-suance of a writ of execution, claiming that the private respondent had failed to abide by the terms of the compromise agreement and pay the amount specified in their compromise agreement within the period stipulated.[3] The private respondent opposed the motion, saying that she had complied with the terms and conditions of the compromise agreement and asked the court to direct the petitioners to comply with the court's decision and execute the necessary documents to effect the transfer of ownership of the two parcels of land in question to her.[4]

Acting upon the motions, the respondent judge issued an order on March 27, 1978, denying the petitioners' motion for execution, and instead, directed the petitioners to immediately execute the necessary documents transferring to private respondent the title to the properties. He also ordered the Clerk of Court to release to the petitioners the amount of P250,000.00, which had been deposited by the private respondent, upon proper receipt therefor.[5]

The petitioners filed a motion for the reconsideration of the order,[6] but the trial court denied the same in an order dated July 24, 1978.[7]

Whereupon, the petitioners filed a notice of appeal, appeal bond,[8] and a motion for extension of time (20 days) within which to submit a record on appeal.[9] On August 21, 1978, they filed a second motion for extension of time (5 days) within which to file their record on appeal,[10] and on August 26, 1978, they submitted their record on appeal.

On September 30, 1978, the private respondent filed a motion to dismiss the appeal on the grounds that: (1) the

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

orders appealed from are inappealable; and (2) that the record on appeal is defective as it does not contain the material data showing that the appeal was perfected on time.[11] The trial court found merit in the motion and dismissed the appeal of the petitioners.[12] As a result, the petitioners filed a petition for certiorari with the respondent Court of Appeals to nullify the order of the trial court which dismissed their appeal. On February 5, 1980, the said appellate court rendered judgment sustaining the decision of the trial court.[13] Hence, the present recourse.

Passing upon the propriety of the petitioners' appeal, the rule is that a judgment rendered in accordance with a compromise agreement is not appealable. It is immediately executory unless a motion is filed to set aside the compromise agreement on the ground of fraud, mistake or duress, in which case an appeal may be taken from the order denying the motion.[14] It is also a settled rule that an order of execution of judgment is not appealable. However, where such order of execution in the opinion of the defeated party varies the terms of the judgment and does not conform to the essence thereof, or when the terms of the judgment are not clear and there is room for interpretation and the interpretation given by the trial court as contained in its order of execution is wrong in the opinion of the defeated party, the latter should be allowed to appeal from said order so that the Appellate Tribunal may pass upon the legality and correctness of the said order.[15]

In the instant case, the legality or enforceability of the compromise agreement or the decision of the trial court approving the compromise agreement is not disputed. The parties both want the said compromise agreement to be implemented. The petitioners question the ruling of the trial court that the private respondent had complied with the terms of the compromise agreement. The issue raised, albeit one of fact, is appealable.

As to the sufficiency of the record on appeal filed by the petitioners, the rule is that the submission of a record on appeal, for purposes of appeal, is no longer required as the original record is elevated to the appellate court, except in appeals in special proceedings in accordance with Rule 109 of the Rules of Court and other cases wherein multiple appeals are allowed.[16] Since the appeal of the petitioners is not one of those mentioned above, the late filing or insufficiency of the record on appeal filed by the petitioners is no longer a ground for dismissing their appeal.

On the merits of the case, We agree with the findings of the trial court that the private respondent had substantially complied with the terms and conditions of the compromise agreement. Her failure to deliver to the petitioners the full amount on January 27, 1978 was not her fault. The blame lies with the petitioners. The record shows that the private respondent went to the sala of Judge Bautista on the appointed day to make payment, as agreed upon in their compromise agreement. But, the petitioners were not there to receive it. Only the petitioners' counsel appeared later, but, he informed the private respondent that he had no authority to receive and accept payment. Instead, he invited the private respondent and her companions to the house of the petitioners to effect payment. But, the petitioners were not there either. They were informed that the petitioner Pilar de Guzman would arrive late in the afternoon, possibly at around 4:00 o'clock. The private respondent was assured, however, that she would be informed as soon as the pe-titioners arrived. The private respondent, in her eagerness to settle her obligation, consented and waited for the call which did not come and unwittingly let the period lapse. The next day, Jan-uary 28, 1978, the private respondent went to the office of the Clerk of the Court of First Instance of Rizal, Pasay City Branch, to deposit the balance of the purchase price. But, it being a Saturday, the cashier was not there to receive it. So, on the next working day, Monday, January 30, 1978, the private respondent deposited the amount of P30,000.00 with the cashier of the Office of the Clerk of the Court of First Instance of Rizal, Pasay City Branch, to complete the payment of the purchase price of P250,000.00. Since the deposit of the balance of the purchase price was made in good faith and that the failure of the private respondent to deposit the purchase price on the date specified was due to the petitioners who also make no claim that they had sustained damages

because of the two days delay, there was substantial compliance with the terms and conditions of the compromise agreement.

WHEREFORE, the petition should be, as it is hereby DISMISSED. The temporary restraining order heretofore issued is LIFTED and SET ASIDE. With costs against the petitioners.

SO ORDERED.

Makasiar, (Chairman), Abad Santos, Escolin, and Cuevas, JJ., concur.

Aquino, J., see dissent.

---

[1] Rollo, p. 121.

[2] Id., p. 89.

[3] Id., p. 91.

[4] Id., p. 98.

[5] Id., p. 52.

[6] Id., p. 59.

[7] Id., p. 56.

[8] Id., p. 100.

[9] Id., p. 101.

[10] Id., p. 103.

[11] Id., p. 110.

[12] Id., p. 49.

[13] Id., p. 40.

[14] Periquet vs. Reyes, 129 Phil. 764.

[15] Manaois-Salanga vs. Natividad, 107 Phil. 268.

[16] Secs. 18, 19, 20, Interim Rules & Guidelines, Rules of Court.

DISSENTING OPINION

AQUINO, J.:

I dissent. On November 29, 1977 the trial court rendered a decision approving a compromise between Pilar de Guzman, Rolando Gestuvo and Minerva Gestuvo, as sellers, and Leonida P. Singh, buyer. Singh agreed to pay de Guzman and the Gestuvos, now petitioners, P250,000 for two lots located at Cementina Street, Pasay City at ten o'clock in the morning of January 27, 1978 in the courtroom of Judge Bautista of pasay City. In case no payment was made, then the petitioners would be immediately entitled to a writ of execution for the possession of the said lots.

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

Singh did not pay the P250,000. Ben Restrivera, in behalf of Singh, on January 24, 1978 deposited P220,000 with the clerk of court. Restrivera on January 27, 1978 tried to deliver to Antonio G. Barredo, petitioners' counsel, P5,000 cash and P25,000 in postdated checks, or P30,000 to complete the price of P250,000. Barredo refused to accept that payment. On January 30, 1978 (3 days after the deadline) Singh deposited with the clerk of court cash of P30,000.

On that same day, January 30, the petitioners filed a motion for execution. It was opposed by Singh. Judge Bautista in his order of March 27, 1978 denied the motion and ordered the petitioners to execute the corresponding deed of sale. He ordered the clerk of court to release the P250,000 to them.

The petitioners filed a motion for reconsideration which the trial court denied in an order dated July 24, 1978, a copy of which was received by the petitioners on July 31, 1978. The next day, August 1, the petitioners filed a notice of appeal and an appeal bond and asked for an extension of twenty days within which to file their record on appeal. They asked for a second extension of five days. The record on appeal was filed on August 26, 1978.

The trial court did not give due course to the appeal. The petitioners filed a petition for mandamus with the Court of Appeals to compel the trial court to elevate their appeal. The Court of Appeals in its decision dated February 5, 1980 sustained the trial court. The petitioners appealed to this Court.

The trial court erred in ordering the petitioners to execute the deed of sale. Singh did not comply with the compromise agreement. She did not pay the P250,000 on January 27, 1978. The petitioners were entitled to a writ of execution.

The appeal should have been give due course. It was filed on time. The technicality that the petitioners did not comply with the "material data" rule may be disregarded. That rule has been relaxed in later cases. See Berkenkotter vs. Court of Appeals, L-36629, Septem-ber 28, 1973, 53 SCRA 228 and later cases.

Instead of ordering the Pasay court to elevate the record of the case to the Intermediate Appellate Court, we should now resolve the case or the merits of the appeal.

It is indubitable that Singh violated the compromise agreement. She lost the right to purchase the two lots. The petitioners are entitled to possess them.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

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.