

LEDA DINO GRAGEDA AND TERESITA MONTILLA, PETITIONERS, VS. HONORABLE INTERMEDIATE APPELLATE COURT AND FRANCISCO MONTALLANA, JR., RESPONDENTS.

G.R. No. 67929, October 27, 1987

Ponente: PARAS, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-67929/>

PARAS, J.:

This is a petition to review and reverse the Resolution dated May 23, 1984 of respondent Intermediate Appellate Court (now Court of Appeals) in AC G.R. No. CV-64223, which reversed its previous decision[1] for the petitioners and affirmed the decision[2] of the Municipal Trial Court of Daraga, Albay in Civil Case No. 362, the dispositive portion of which reads:

"x x x In view of all the foregoing considerations, the Court has come to the conclusion that the plaintiff had proven and established not only by preponderance of evidence but by adequate evidence as well that he is entitled to the relief prayed for in accordance with the aforecited pertinent provisions of law and judgment is hereby rendered, ordering defendants to pay jointly and severally unto the plaintiff the sum of P4,300.00 and P50.00 as litigation expenses and to pay the costs. No other pronouncement is made as to other claims for damages for reasons of equity. The compulsory counterclaim is hereby denied and dismissed for lack of merit x x x." (p. 51, Rollo)

The facts of the case are briefly as follows:

Petitioner Grageda is the owner and manager of the Sorsogon Home Enterprises while private respondent is a seller of abaca finished products. On March 26, 1975, Grageda ordered from private respondent 500 sets of rectangular ("bacbac") pyrex trays and 500 sets of square ("bacbac") pyrex trays with 3 measurements per sample with handle, at P4.50 per set. (Exhs. "A", "A-1", "A-2", "A-3")

Prior to April 27, 1975, private respondent delivered some of the items ordered but they were outrightly rejected. After making the proper corrections, private respondent made subsequent deliveries, to wit:

April 27, 1975 - (a) 79 sets of pyrex trays "bacbac" with a total value of P750.00;

April 30, 1975 - (a) 70 sets of rectangular trays "bacbac" valued at P315.00;

May 1, 1975 - (a) 100 sets of rectangular trays "bacbac" and

(b) 100 sets of square trays "bacbac" with a total value of P900.00;

May 3, 1975 - (a) 270 sets of rectangular trays "bacbac" and

(b) 4 sets of square trays "bacbac" valued at P846.00; and

May 12, 1975 - 188 sets square trays;

May 27, 1975 - 136 sets of square trays "bacbac" valued at P612.00.

(p. 36, Rollo)

Said items were all received and duly receipted for by Grageda's caretaker, herein co-petitioner Montilla.

On several occasions, private respondent demanded payment for the total value of the deliveries but Grageda requested for extensions of time within which to pay. Finally, on June 13, 1975, private respondent sought the assistance of the Albay PC Command and a confrontation was conducted between Grageda and private respondent. When pressed for payment, Grageda ultimately said that she rejected the items delivered by private respondent because they were defective. Subsequently, Grageda sent a letter dated June 20, 1975 to private respondent, to which a Nacida certification dated June 23, 1975 was annexed (Exh. "6"), informing private respondent of her rejection of the items delivered, and requesting for their withdrawal from her bodega. In view of the foregoing, private respondent filed a Complaint for Sum of Money against the petitioners before the Municipal Trial Court of Daraga, Albay.

Grageda, on the other hand, claimed that the rectangular and square "bacbac" pyrex trays delivered by the private respondent from April 27, 1975 until May 25, 1975 were not in accordance with the sample agreed upon by and between them, which is that the edging or "pleje" should be made of steel; that as early as May, 1975, she advised private respondent of her rejection of the said items because their edgings were made of tin plates or of inferior quality; that she demanded their withdrawal from her bodega but despite repeated requests, private respondent refused to withdraw the same; that she likewise informed private respondent of her rejection of the said items at the confrontation with the police on June 13, 1975 and in her letter dated June 20, 1975 (Exhs. "E", "E-1") to which a certification of the Nacida dated June 23, 1975 was annexed (Exh. "6"), stating therein that said items are inferior and cannot be exported. In addition, Grageda presented two (2) disinterested witnesses who testified that the items delivered by private respondent were different from the samples desired by her. (pp. 7-8, Rollo)

On February 25, 1977, the Metropolitan Trial Court rendered a decision in private respondent's favor holding the petitioner civilly liable to the private respondent for having impliedly accepted the deliveries, pursuant to Article 1585 of the Civil Code. Said decision was reversed by the Court of First Instance of Albay (now Regional Trial Court). Private respondent appealed to the Court of Appeals, which affirmed the decision¹ of the Regional Trial Court. On motion for reconsideration, however, the Court of Appeals reversed its previous decision and affirmed the decision of the Metropolitan Trial Court.

Hence, this petition, raising the issue of whether or not there was an acceptance of the deliveries made, or otherwise stated, whether or not there was a rejection seasonably made.

The petition is devoid of merit.

While it is true that Article 1584 of the Civil Code accords Grageda (as buyer) the right to a reasonable opportunity to examine the abaca "bacbac" goods to ascertain whether they are in conformity with the contract, such opportunity to examine should be availed of within a reasonable time in order that private respondent (as the seller) may not be subjected to undue delay or prejudice in the payment of his raw materials, workers and other damages which may be incurred due to the deterioration of his products.

In this regard, the trial court found that the delay in the advice or notice of rejection was almost two (2) months after receipt, hence, was rather too late. In its decision dated February 25, 1977, the Municipal Trial Court said:

"xxx There is no clear, convincing and competent evidence that defendant Grageda (petitioner herein) advised or informed plaintiff (private respondent herein) even one or two weeks after the date of delivery, so that the Court entertains grave and serious doubts as to whether defendant Grageda really advised or informed plaintiff that the latter's deliveries from April 27 are rejected, within the month of May, 1975 as alleged by her, in view

of plaintiff's vehement denial. Moreover, said allegation is uncorroborated and not substantiated by her caretaker, co-defendant Montilla, as to lead the Court to believe that it was only on June 13, 1975 and on June 20, 1975, (Exhibit "E") that she really informed and advised, with certainty that his plaintiff's deliveries of 500 rectangular "bacbac" trays and 500 square "bacbac" trays were rejected. x x x" (pp. 48-49, Rollo)

We agree with the trial court's observations and conclusions that:

"xxx The provisions of Article 1585 (New Civil Code) which provides, among others, that 'the buyer is deemed to have accepted them', xxx, 'when, after the lapse of a reasonable time, he retains the goods without intimating to the seller that he has rejected them' is applicable in the instant case. The evidence clearly and unmistakably shows that the defendants retained possession of the abaca goods, subject matter in this case, for practically a month and almost two (2) months on June 20, 1975 or until this case was filed on June 27, 1975, without intimating their rejection to the supplier or seller, within a reasonable time xxx for which reason such retention of the abaca "bacbac" goods for a month or more already amounts to a waiver of defendants' right to reject acceptance and payment of the plaintiffs abaca "bacbac" goods xxx." (p. 50, Rollo)

Well settled is the rule that the findings of fact of the trial judge are generally respected on appeal and We find no cogent reason to disturb the same.

Premises considered, the petition is hereby DENIED and the decision of the Intermediate Appellate Court is hereby AFFIRMED.

SO ORDERED.

Teehankee, C.J., Narvasa, Cruz, and Gancayco, JJ., concur.

[1] Penned by Justice Desiderio P. Jurado concurred in by Justices Porfirio V. Sison, Abdulwahid A. Bidin and Marcelino R. Veloso.

[2] Penned by Judge Ignacio S. Calleja.

1 Penned by Judge Romulo P. Untalan

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.