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2009 and December 15, 2009 in CA-G.R. CV No. 92007 are *REVERSED* and *SET ASIDE*. The case is *REMANDED* to the Court of Appeals for proper proceedings.

SO ORDERED.

Carpio (Chairperson), Peralta, Abad, and *Mendoza, JJ.,* concur.

SECOND DIVISION

[A.M. No. RTJ-10-2220. February 7, 2011]
(Formerly OCA I.P.I. No. 08-3053-RTJ)

PIO ANGELIA, *complainant, vs.* **JUDGE JESUS L. GRAGEDA, Regional Trial Court, Branch 4, Panabo City,** *respondent.*

SYLLABUS

1. JUDICIAL ETHICS; JUDGES; GROSS INEFFICIENCY; FAILURE TO DECIDE CASES AND OTHER MATTERS WITHIN THE REGLEMENTARY PERIOD, A CASE OF.— This Court has consistently held that failure to decide cases and other matters within the reglementary period constitutes gross inefficiency and warrants the imposition of administrative sanction against the erring magistrate. Such delay is clearly violative of the above-cited rules. Delay in resolving motions and incidents pending before a judge within the reglementary period of ninety (90) days fixed by the Constitution and the law is not excusable and constitutes gross inefficiency. As a trial judge, Judge Grageda was a frontline official of the judiciary and should have at all times acted with efficiency and with probity. Judge Grageda himself admitted his fault in the delay of the resolution of the December 28, 2007 Motion for

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Reconsideration filed by Angelia which was only resolved after he received the 1st Indorsement from this Court, more than a year later. In an order dated January 28, 2009, said motion was granted.The Court, however, finds no merit in Judge Grageda's explanation that the reason for the delay in resolving the motion was the pressure from equally urgent matters in connection with the 800 pending cases before his sala. Firstly, he is duty-bound to comply with the above-cited rules under the Canons in the Code of Judicial Conduct, and the administrative guidelines laid down by this Court. Secondly, as this Court is not unmindful of the circumstances that may delay the speedy disposition of cases assigned to judges, respondent Judge Grageda should have seasonably filed a request for an extension to resolve the subject motion. For failing to do so, he cannot evade administrative liability.

2. ID.; ID.; LESS SERIOUS OFFENSES; UNDUE DELAY IN RENDERING A DECISION OR ORDER; PENALTY IN CASE AT BAR.— Under Section 9, Rule 140 of the Revised Rules of Court, undue delay in rendering a decision or order is considered a less serious offense. Pursuant to Section 11 of the same rule, such offense is punishable by: 1. Suspension from office without salary and other benefits for not less than one (1) nor more than three (3) months; or 2. A fine of more than ₱10,000.00 but not exceeding ₱20,000.00. As earlier stated, the OCA recommended a fine of ₱5,000.00. Considering the volume of his work, the Court deems the recommendation to be well-taken.

R E S O L U T I O N

MENDOZA, *J.*:

Before this Court is a verified Complaint filed on November 7, 2008, by complainant Pio Angelia *(Angelia)* against respondent Judge Jesus L. Grageda *(Judge Grageda)* of the Regional Trial Court, Branch 4, Panabo City, *(RTC)*, for the delay in the resolution of motions relative to Civil Case No. 54-2001, entitled *Pio Angelia v. Arnold Oghayan.*

Angelia averred that Civil Case No. 54-2001 was filed way back on August 8, 2001. After numerous postponements, pre-

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trial was finally set on December 6, 2007. On December 20, 2007, counsel for complainant received an order dated December 6, 2007 dismissing the case for failure to prosecute. On December 28, 2007, Angelia filed a motion for reconsideration reasoning out that the failure to prosecute could not be attributed to him. On July 28, 2008, he filed his Urgent Motion for the Early Resolution of said December 2007 Motion for Reconsideration. He claimed that despite the lapse of a considerably long period of time, no action was taken by Judge Grageda.

In his Comment dated February 12, 2009, Judge Grageda attributed the delay in the resolution of the case to numerous resettings and repeated absences of the parties. He also stated that immediately upon receipt of the 1st Indorsement dated December 16, 2008, from the Office of the Court Administrator *(OCA)*, he lost no time in resolving the Motion for Reconsideration. He further averred that he performed his duties and functions devotedly despite having to act on 800 cases in his sala, which was further exacerbated by the inflow of new cases every month.

Judge Grageda also admitted that while there was an apparent failure on his part to resolve the motion earlier, such delay was not intentional but simply brought about by the sheer volume of work in his sala, as there were many times that he was the only acting RTC Judge within his district, comprising of 2 cities and 3 municipalities in Davao del Norte. He offered his sincere apology to Angelia and to this Court for the delay, and pleaded humanity and compassion, with a promise to work harder and better for the remainder of his service.

Judge Grageda compulsorily retired from the service on November 25, 2009.

OCA recommended that Judge Grageda be fined in the amount of ₱5,000.00.

The findings and recommendations of the OCA are well-taken.

In consonance with the Constitutional mandate that all lower courts decide or resolve cases or matters within three (3) months

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from their date of submission, the Code of Judicial Conduct in Rule 1.02 of Canon 1 and Rule 3.05 of Canon 3, provide:

> Rule 1.02 – A judge should administer justice impartially and without delay.
>
> Rule 3.05 – A judge should dispose of the court's business promptly and decide cases within the required periods.

In line with the foregoing, this Court has laid down administrative guidelines to ensure that the mandates on the prompt disposition of judicial business are complied with. Thus, SC Administrative Circular No. 13-87 provides in part:

> 3. Judges shall observe scrupulously the periods prescribed by Article VIII, Section 15 of the Constitution for the adjudication and resolution of all cases or matters submitted in their courts. Thus, all cases or matters must be decided or resolved within twelve months from date of submission by all lower collegiate courts while all other lower courts are given a period of three months to do so.
>
> xxx xxx xxx

Furthermore, SC Administrative Circular No. 1-88 dated January 26, 1988 states:

> 6.1 All Presiding Judges must endeavor to act promptly on all motions and interlocutory matters pending before their courts. x x x

This Court has consistently held that failure to decide cases and other matters within the reglementary period constitutes gross inefficiency and warrants the imposition of administrative sanction against the erring magistrate. Such delay is clearly violative of the above-cited rules. Delay in resolving motions and incidents pending before a judge within the reglementary period of ninety (90) days fixed by the Constitution and the law is not excusable and constitutes gross inefficiency.[1] As a trial judge, Judge Grageda was a frontline official of the judiciary and should have at all times acted with efficiency and with probity.

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[1] *Prosecutor Visbal v. Judge Buban*, 443 Phil. 705, 708 (2003).

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Judge Grageda himself admitted his fault in the delay of the resolution of the December 28, 2007 Motion for Reconsideration filed by Angelia which was only resolved after he received the 1st Indorsement from this Court, more than a year later. In an order dated January 28, 2009, said motion was granted.

The Court, however, finds no merit in Judge Grageda's explanation that the reason for the delay in resolving the motion was the pressure from equally urgent matters in connection with the 800 pending cases before his sala. Firstly, he is duty-bound to comply with the above-cited rules under the Canons in the Code of Judicial Conduct, and the administrative guidelines laid down by this Court. Secondly, as this Court is not unmindful of the circumstances that may delay the speedy disposition of cases assigned to judges, respondent Judge Grageda should have seasonably filed a request for an extension to resolve the subject motion. For failing to do so, he cannot evade administrative liability.

Judges must decide cases and resolve matters with dispatch because any delay in the administration of justice deprives litigants of their right to a speedy disposition of their case and undermines the people's faith in the judiciary. Indeed, justice delayed is justice denied.

Under Section 9, Rule 140 of the Revised Rules of Court, undue delay in rendering a decision or order is considered a less serious offense. Pursuant to Section 11 of the same rule, such offense is punishable by:

1. Suspension from office without salary and other benefits for not less than one (1) nor more than three (3) months; or
2. A fine of more than ₱10,000.00 but not exceeding ₱20,000.00.

As earlier stated, the OCA recommended a fine of ₱5,000.00. Considering the volume of his work, the Court deems the recommendation to be well-taken.

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WHEREFORE, retired Judge Jesus L. Grageda is hereby found *GUILTY* of undue delay in resolving a motion in violation of Rule 1.02, Canon 1 and Rule 3.05, Canon 3 of the Code of Judicial Conduct. He is hereby ordered to pay a FINE in the amount of FIVE THOUSAND (₱5,000.00) PESOS, to be deducted from his retirement benefits. Let a copy of this resolution be forwarded to the Office of the Court Administrator.

SO ORDERED.

Carpio (Chairperson), Nachura, Peralta, and *Abad, JJ.,* concur.

THIRD DIVISION

[G.R. No. 167004. February 7, 2011]

DEVELOPMENT BANK OF THE PHILIPPINES, *petitioner, vs.* **BEN P. MEDRANO and PRIVATIZATION MANAGEMENT OFFICE [PMO],** *respondents.*

SYLLABUS

1. CIVIL LAW; SPECIAL CONTRACTS; CONTRACT OF SALE; WHEN PERFECTED; NO PERFECTED CONTRACT OF SALE IN CASE AT BAR.— As a rule, a contract is perfected upon the meeting of the minds of the two parties. Under Article 1475 of the Civil Code, a contract of sale is perfected the moment there is a meeting of the minds on the thing which is the object of the contract and on the price. xxx In the present case, Medrano's offer to sell the shares of the minority stockholders at the price of 65% of the par value was *not* absolutely and unconditionally accepted by DBP. DBP imposed several conditions to its acceptance and it is clear that Medrano indeed tried in good faith to comply with the conditions given