

SECOND DIVISION

[G.R. No. 170790, October 23, 2009]

ANGELITO COLMENARES, PETITIONER, VS. HAND TRACTOR PARTS AND AGRO-INDUSTRIAL CORP., RESPONDENT.

DECISION

QUISUMBING, J.:

Petitioner Angelito Colmenares assails the Decision^[1] dated July 27, 2005 of the Court of Appeals in CA-G.R. CV No. 57877 and its Resolution^[2] dated November 15, 2005, denying his motion for reconsideration. The Court of Appeals had affirmed the judgment of the trial court which ordered petitioner to pay a sum of money to respondent Hand Tractor Parts and Agro-Industrial Corporation.

The facts, culled from the records, are briefly as follows:

Respondent is a domestic corporation^[3] engaged in selling tractor and agro-industrial parts. Petitioner is one of its customers.^[4]

On June 15, 1988, petitioner bought on credit paddle wheels from respondent.^[5] The paddle wheels were delivered on June 18 and 29, 1988.^[6] On November 9, 1988, respondent issued to petitioner a charge invoice^[7] for P80,200, the price of the paddle wheels and their accessories. Petitioner paid P25,000 on November 16, 1988, P10,000 on May 18, 1991 and P3,000 on April 17, 1993^[8] or a total of P38,000.

In a letter^[9] dated September 18, 1995, respondent's counsel demanded that petitioner pay P156,266 for his unpaid account, including interest computed at 3% per month.^[10] In response, petitioner wrote:

x x x x

While I do not deny the fact that I have purchased some tractor parts from your client on credit, my records of my account with your client do not show that I am indebted to your client in the amount of P156,266.00.

May I ask therefore from your client a period of 45 days from today, to check my records, compare them with the records of your client and settle my actual accountability with your client within said period.^[11]

On November 28, 1995, respondent sued petitioner for a sum of money.^[12] Respondent claimed that despite demand, petitioner failed to pay.

For his defense, petitioner testified that he did not purchase the paddle wheels and accessories stated in the November 9, 1988 charge invoice.^[13]

The Regional Trial Court (RTC) of Bacolod City, Branch 44, found petitioner liable to respondent. It ruled that petitioner's denial of his obligation was insufficient against the invoices, delivery receipts, and official receipts showing his partial payments. Petitioner was ordered to pay respondent P166,466 plus 3% interest per month from June 1996 and 25% of the net amount due as attorney's fees and cost of collection.^[14]

On appeal, the Court of Appeals affirmed the decision of the trial court.^[15] It found respondent's testimonial and documentary evidence sufficient to support the trial court's decision. The Court of Appeals ruled:

Exhibit "A" [charge invoice] ... will show that, on June 18, 1988, [petitioner] purchased from [respondent] several farm implements.

Other than his bare denial, [petitioner] failed to present other convincing testimonial and documentary evidence to rebut [respondent's] evidence.

Exhibits "B" and "C" [delivery receipts] ... will show that the farm implements ... were delivered to [petitioner] through his representative.

It is easy for the [petitioner] to deny outright receiving such items and likewise deny to have authorized persons to receive said items. However, again, [petitioner] failed to present witnesses and other documentary evidence to support his allegation.

As to the rest of the evidence adduced by the [respondent], we find the [trial court] to have correctly weighed and appreciated the same when it held:

"The [petitioner's] mere denial of his obligation would not suffice against the invoices and delivery receipts, especially the official receipts issued by the [respondent]. It would be absurd for the [respondent] to fabricate official receipts just to solicit a phony obligation. As agreed upon by the [petitioner] himself, he was a customer of the [respondent] before the controversial sale was made. Thus, the general manager of the [respondent] cannot mistake him for anyone of their other clients, considering their transactions were done in personal.xxx"^[16]

After his motion for reconsideration was denied, petitioner filed the instant petition which raised the following issues:

I.

WHETHER OR NOT THE DECISION OF THE COURT OF APPEALS IS IN ACCORD WITH LAW AND SUPREME COURT DECISIONS ON SUFFICIENCY OF EVIDENCE TO MEET THE QUANTUM OF PROOF IN CIVIL CASES

WHICH IS "PREPONDERANCE OF EVIDENCE."

II.

WHETHER OR NOT THE DECISION OF THE COURT OF APPEALS IS IN ACCORD WITH LAW AND SUPREME COURT DECISIONS ON "BURDEN OF PROOF" IN CIVIL CASES.

III.

WHETHER OR NOT THE DECISION OF THE COURT OF APPEALS IS IN ACCORD WITH LAW AND SUPREME COURT DECISIONS ON "AWARD OF DAMAGES."^[17]

Essentially, the issues are: (1) Was respondent able to prove by a preponderance of evidence its claim for a sum of money against petitioner? (2) Was the award of interest and attorney's fees proper?

Petitioner contests the finding that he was respondent's customer even before the sale of the paddle wheels. He says that respondent's lone witness even testified that the first and last transaction between him (witness) and petitioner was on June 29, 1988. He adds that the Court of Appeals also made a presumptuous finding that on June 18, 1988 he purchased from respondent several farm implements and the same were delivered to him. Petitioner claims that he or his duly authorized representative never signed the exhibits cited for this finding. The delivery receipts are also anomalous or questionable because they are consecutively numbered although the deliveries had a gap of 11 days. Moreover, the statement of account and the demand letter cannot prove his account. Not all statements of account are truthful statements and not all demand letters contain valid demands. In addition, the official receipts may be good proof of payment but they are not good proof of the existence of his account. While the transaction was in June 1988, the official receipts show that the first payment was made five months after the purchase, the second payment was made two years and six months after the first payment, the third payment was made one year and 11 months after the second payment, and respondent sued him seven years after he obtained credit. Petitioner concludes that respondent failed to prove its affirmative assertions and there is no evidence to prove the existence of his account with respondent. Consequently, he avers, the decision of the Court of Appeals is not supported by sufficient evidence. For it to conclude that "it would be absurd for the [respondent] to fabricate official receipts just to solicit a phony obligation" is error because said documents, according to petitioner, are plainly and simply self-serving, fabricated pieces of evidence with no probative value.^[18]

Respondent counters that petitioner has raised factual issues, and that petitioner assails its evidence but has failed to present his own countervailing evidence other than mere denial.^[19]

On the first issue, we find for the respondent.

Indeed, it is obvious that petitioner's submissions involve factual issues that call for review of all evidence presented before the trial court. Whether petitioner was