

[G.R. No. 122648, August 17, 2000]

**W-RED CONSTRUCTION AND DEVELOPMENT CORPORATION,
PETITIONER, VS. COURT OF APPEALS AND ASIA INDUSTRIES,
INC., RESPONDENTS.**

D E C I S I O N

YNARES-SANTIAGO, J.:

This is a petition for review seeking the reversal of the Decision of the Court of Appeals in CA-G.R. CV No. 37312.

It appears that on several occasions between May 28, 1980 and May 23, 1981, petitioner W-Red Construction and Development Corporation purchased from respondent Asia Industries, Inc. various electrical equipment worth P976,487.18, covered by a total of eighteen sales invoices.^[1] Petitioner was able to pay the sum of P701,877.93, leaving a balance of P298,183.05, inclusive of interest at the rate of 14% per annum computed as of January 20, 1982.^[2] For petitioner's failure to settle its remaining obligation despite demands, respondent instituted on November 8, 1982 an action for sum of money and damages, filed with the Regional Trial Court of Makati, Branch 65, as Civil Case No. 3094.^[3]

Petitioner filed its answer,^[4] denying receipt of some of the items stated in the sales invoices and alleging that certain electrical equipment delivered to it were defective or faulty, for which proper demands for replacement were ignored by respondent.

After respondent, as plaintiff therein, rested its case, petitioner filed a demurrer to evidence^[5] which, however, was denied by the trial court in an Order dated August 28, 1991.^[6] Petitioner was given opportunity to adduce evidence but it failed to appear at the several hearings scheduled therefor. The trial court, thus, declared petitioner as having waived its right to present evidence.

On January 22, 1992, the trial court rendered judgment for respondent ordering petitioner to pay the sum of P298,163.05 plus 14% interest from the date of filing of the complaint; P10,000.00 as attorney's fees and costs.^[7]

On appeal, the Court of Appeals affirmed the judgment of the trial court in a decision dated August 31, 1995.^[8] Petitioner filed a Motion for Reconsideration, but the same was denied by the Court of Appeals in a Resolution dated November 7, 1995.^[9]

Hence, this petition for review anchored on the sole ground that:

THE RESPONDENT COURT OF APPEALS AS WELL AS THE TRIAL COURT COMMITTED A GRAVE ABUSE OF DISCRETION WHEN THEY ADMITTED AND CONSIDERED PRIVATE DOCUMENTS AS EVIDENCE WHEN SAID DOCUMENTS WERE NOT AUTHENTICATED NOR IDENTIFIED.

Respondent failed to file its comment on the petition for review despite our Resolution,^[10] for which reason we required it to show cause why it should not be disciplinarily dealt with or held in contempt.^[11] The latter Resolution was returned unserved.^[12] On January 31, 1997, Atty. Caesar F. Mones, counsel of record for respondent, manifested that as early as 1991 he had severed his attorney-client relationship with respondent. The Resolution requiring respondent to comment was sent to its office address. Respondent, still, failed to file its comment and, according to information furnished by its former counsel, it was in the process of winding up its business. On June 28, 1999, we dispensed with respondent's comment.

In the instant petition, petitioner maintains that the sales invoices presented by respondent during the trial were inadmissible for being mere photocopies which, moreover, were not authenticated by respondent's lone witness. Likewise, the Statement of Account showing petitioner's unpaid obligation to respondent was not identified and authenticated by the person who prepared it.

Petitioner's claim that the photocopies of the eighteen sales invoices, marked as Exhibits "A" to "R", are inadmissible, is untenable. While only photocopies of the documents are submitted to the court, the record shows that the originals of these documents were presented during the trial. Hence, it is not accurate to say that the original exhibits were not presented before the trial court. This became clear at the beginning of the cross-examination of respondent's witness by petitioner's counsel:

ATTY. GINETA (for petitioner):

....Mrs. Witness, with regard to sales invoices Exhs. A to R which I would like to make of record that they are only xerox copies, Your Honor.

ATTY. MONES (for respondent):

....May I manifest, Your Honor, that during the direct examination of the witness the originals were already shown.

COURT:

....For the information of the counsel, the practice of the Court is that if the exhibits were marked without the word conditional, that means that the originals were presented. If the word appears Exh. etc. conditionally, it means the original is not yet presented.

ATTY. GINETA:

....Because I was not the lawyer then, Your Honor.

COURT:

....Alright, never mind^[13]

Petitioner also objects to the admissibility of the statement of account, Exhibit "S", on the ground that it was not authenticated and identified by the person who prepared it.

As correctly found by the Court of Appeals, respondent's only witness, Alma Ramas, was not entirely incompetent to testify on petitioner's obligation. It was sufficiently established that Ms. Ramas, who was connected with the credit and collection