

SECOND DIVISION

[G.R. No. 182779, August 23, 2010]

**VICTORINA (VICTORIA) ALICE LIM LAZARO, PETITIONER, VS.
BREWMASTER INTERNATIONAL, INC., RESPONDENT.**

R E S O L U T I O N

NACHURA, J.:

Before the Court is a petition for review on *certiorari* of the Court of Appeals (CA) Decision^[1] dated September 4, 2007 and Resolution dated January 31, 2008, which awarded the amount sought by respondent in its Complaint. As held by the CA, to grant the relief prayed for by respondent is, in the words of Section 6 of the Revised Rule on Summary Procedure, the judgment "warranted by the facts alleged in the complaint."

Respondent, Brewmaster International, Inc., is a marketing company engaged in selling and distributing beer and other products of Asia Brewery, Inc. On November 9, 2005, it filed a Complaint for Sum of Money against Prescillo G. Lazaro (Prescillo) and petitioner, Victorina (also known as Victoria) Alice Lazaro, with the Metropolitan Trial Court (MeTC) of Makati City. The complaint alleged as follows:

6. During the period from February 2002 to May 2002, defendants obtained on credit from plaintiff beer and other products in the total amount of ONE HUNDRED THIRTY EIGHT THOUSAND FIVE HUNDRED TWO PESOS AND NINETY TWO CENTAVOS (Php 138,502.92), evidenced by sales invoices photocopies of which are hereto attached as Annexes "A," "A-1" to "A-11,"

7. Despite repeated demands, defendants have failed and refused, and up to now, still fail and refuse to pay their aforesaid obligation to plaintiff in the amount of ONE HUNDRED THIRTY EIGHT THOUSAND FIVE HUNDRED TWO PESOS AND NINETY TWO CENTAVOS (Php 138,502.92) as evidenced by the demand letters dated 21 April 2003, 12 May 2003, 5 August 2003 and 17 August 2005, photocopies of which are hereto attached as Annexes "B," "C," "C-1," "D," "D-1," "D-2," and "E," "E-1,"

8. Under the terms of the sales invoices, defendants agreed that in case of litigation, the venue shall only be at the proper courts of Makati City and to pay 24% interest on all overdue accounts.

WHEREFORE, it is respectfully prayed that judgment be rendered in favor of plaintiff and against the defendants, ordering the latter to pay the sum of Php138,502.92 representing plaintiff's claim and the sum of Php33,240.00 as interest.

Plaintiff prays for such other or further relief and remedies that are just and equitable in the premises.^[2]

Annexes A, A-1 to A-11 are photocopies of sales invoices^[3] indicating the amount of the goods purchased and showing that they were sold to "TOTAL" and received by a certain Daniel Limuco.

Prescillo filed an answer with counterclaim, denying any knowledge of the obligation sued upon. According to Prescillo, he and petitioner had lived separately since January 15, 2002 and he never authorized petitioner to purchase anything from respondent. He pointed out that the purchaser of the items, as borne out by the sales invoices attached to the complaint, was Total, which should have been the one sued by respondent.^[4]

Petitioner, in her own answer with counterclaims, likewise denied having transacted with respondent, and averred that the documents attached to the complaint showed that it was Total which purchased goods from respondent.^[5]

On June 14, 2006, during the scheduled preliminary conference, petitioner and her co-defendant did not appear. Hence, the MeTC declared the case submitted for decision.^[6]

On August 22, 2006, the MeTC dismissed the complaint, ratiocinating that respondent, as plaintiff, failed to meet the burden of proof required to establish its claim by preponderance of evidence. The court *a quo* noted that the sales invoices attached to the complaint showed that the beer and the other products were sold to Total and were received by a certain Daniel Limuco; they did not indicate, in any way, that the goods were received by petitioner or her husband.^[7]

Respondent elevated the case to the Regional Trial Court (RTC) through a notice of appeal. Attached to its Memorandum was additional evidence, showing that it transacted with petitioner and her husband, who were then the operators and franchisees of the Total gasoline station and convenience store where the subject goods were delivered, and that Daniel Limuco was their employee.^[8]

Unmoved, the RTC found no reversible error in the assailed decision. It agreed with the MeTC that respondent failed to submit any evidence proving that petitioner and her husband were liable for the obligation. The RTC disregarded the documents attached to the memorandum on the ground that admission of such additional evidence would be offensive to the basic rule of fair play and would violate the other party's right to due process. Thus, the RTC affirmed the assailed decision *in toto*.^[9]

Respondent then went to the CA through a petition for review. There, it succeeded in obtaining a judgment in its favor. Applying Section 7^[10] of the Revised Rule on Summary Procedure, in conjunction with Section 6^[11] thereof, the CA held that judgment should have been rendered "as may be warranted by the facts alleged in the complaint" considering that both defendants failed to appear during the preliminary conference. The appellate court said that "by instead referring to the

sales invoices and bypassing [the] ultimate facts [alleged in the complaint], the MeTC contravened the evident purposes of the [Revised] *Rule on Summary Procedure* directing that the judgment be based on the allegations of the complaint, which were, firstly, to avoid delay and, secondly, to consider the non-appearance at the preliminary conference as an admission of the ultimate facts." The CA judiciously pronounced that:

In fact, evidentiary matters (like the sales invoices attached to the complaint) were not yet to be considered as of that early stage of the proceedings known under the *Rule on Summary Procedure* as the preliminary conference. The evidentiary matters and facts are to be required only upon the termination of the preliminary conference and only if further proceedings become necessary to establish factual issues defined in the order issued by the court. (citing Section 9, Rule on Summary Procedure)

Thus, finding the amount claimed to be warranted by the allegations in the complaint, the CA, in its September 4, 2007 Decision, reversed the trial court's decision and ordered petitioner and her husband to pay the said amount plus interests, thus:

WHEREFORE, the DECISION DATED MARCH 12, 2007 is REVERSED AND SET ASIDE.

The respondents are **ORDERED** to pay, jointly and severally, to the petitioner the amount of P138,502.92, plus interest of 6% *per annum* from the filing of the complaint until this judgment becomes final and executory, and 12% *per annum* upon finality of this judgment until full payment.

The respondents are also **ORDERED** to pay the costs of suit.

SO ORDERED.^[12]

Petitioner filed a motion for reconsideration of the said Decision but the same was denied by the CA in its January 31, 2008 Resolution.^[13]

Petitioner submits the following issues to this Court for resolution:

Petitioner respectfully submits that the Honorable Court of Appeals erred in the interpretation of Section 6 of the Revised Rules of Summary Procedure when it reversed the Decision of the RTC, Branch 162 of Makati in Civil Case [N]o. 06-944.

Petitioner further submits that the Court of Appeals erred in giving relief to the private respondent despite the lack of cause of action in its complaint against the petitioner herein.^[14]