



Republic of the Philippines
Supreme Court
Baguio City

SPECIAL FIRST DIVISION

GLORIA F. QUIROZ,
Petitioner,

G.R. No. 244054

Present:

CAGUIOA, *Chairperson,*
LAZARO-JAVIER,
LOPEZ, M.,
ROSARIO, and
SINGH, *JJ.*

- versus -

RAMON R. NALUS,
Respondent.

Promulgated:

APR 26 2023

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RESOLUTION

LAZARO-JAVIER, J.:

ANTECEDENTS

By Resolution¹ dated March 11, 2020, the Court denied the petition and affirmed in full the Court of Appeals' Decision² dated September 20, 2018 and Resolution³ dated January 11, 2019 in CA-G.R. CV No. 109093. The Court of Appeals deleted, for lack of basis, the trial court's award of damages borne in its judgment on the pleadings.

¹ *Rollo*, pp. 217–223.

² Penned by Associate Justice Fernanda Lampas Peralta and concurred in by Associate Justices Rodil V. Zalameda (now a Member of this Court) and Marie Christine Azcarraga-Jacob, *id.* at 30–46.

³ *Id.* at 48–49.

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The Court held that in a judgment on the pleadings, the award of moral damages must be justified. It cannot be granted, *sans* proof of its factual basis and causal connection to the act complained of. Consequently, where moral damages cannot be awarded for the aforesaid reason, the grant of exemplary damages is also unwarranted.⁴

In her present motion for reconsideration,⁵ petitioner Gloria Quiroz (Quiroz) reiterates her plea to restore the trial court's award of damages to her, without need of further proof. She cites *Santiago v. Basilan Lumber Co.*⁶ and *Tropical Homes, Inc. v. CA*⁷ where the awards of damages, as borne in the judgments on the pleadings, were allegedly upheld for the reason that the defendants therein, not having objected to the motions for judgment on the pleadings, were deemed to have admitted the factual allegations in the complaints. As a consequence, there was purportedly no more need for the plaintiffs to submit evidence to support their claims for damages.⁸

In the alternative, Quiroz prays that the case be remanded to the trial court for presentation of evidence to prove her claim for damages considering that Nalus could no longer comply with the order to perform his obligation to deliver back to her the physical use and possession of the property as the same is now being leased out to Generika Drugstore.⁹

In his comment,¹⁰ Nalus relies on the rule that a claim for damages is not deemed admitted even if the same is not specifically denied in the answer. He asserts that Quiroz should have presented proof to establish her claim for damages. This she failed to do as she opted instead for a judgment on the pleadings.

ISSUE

Should Quiroz be allowed to prove the damages she claims to have suffered arising from Nalus's contractual breach?

⁴ *Id.* at 222.

⁵ *Id.* at 224-230.

⁶ 118 Phil. 1191 (1963).

⁷ 338 Phil. 930 (1997).

⁸ *Rollo*, pp. 225-227.

⁹ *Id.* at 228-230.

¹⁰ *Id.* at 233-236.

RULING OF THE COURT

The motion for reconsideration is meritorious.

In *Swim Phils., Inc. v. CORS Retail Concept, Inc.*,¹¹ the Court ruled that judgment on the pleadings was improper in an action for damages and thus ordered the case to be remanded to the trial court for reception of evidence to determine the actual extent of damages claimed to have been suffered by the plaintiff. Citing *Raagas v. Traya*,¹² the Court decreed:

Here, CORS was deemed to have admitted that Swim's sport apparels sold in its "Nothing But H2O" shop got drenched due to the fault of CORS' employee. But as to the extent of value of the actual damages sustained by Swim, the same are deemed specifically denied. *Raagas vs. Traya* teaches:

Even if the allegations regarding the amount of damages in the complaint are not specifically denied in the answer, such damages are not deemed admitted, xxxx Actual damages must be proved, and that a court cannot rely on "speculation, conjecture or guesswork" as to the fact and amount of damages, but must depend on actual proof that damages had been suffered and on evidence of the actual amount. x x x

Applying Section 11 and *Raagas* in the present case, Swim is required to adduce evidence precisely to establish the exact extent or pecuniary value of the actual damages it claims to have suffered by reason of CORS' employee's act of accidentally breaking the sprinklers inside CORS' store. This is the essence of Section 11 "(m)aterial averment in the complaint, other than those as to the amount of unliquidated damages, shall be deemed admitted when not specifically denied, x x x."

True, Nalus here did not specifically deny, and hence, deemed to have admitted his contractual breach as alleged in the complaint. As for the resulting damages Quiroz claims to have suffered, the same are not deemed admitted. Similar to *Swim Phils., Inc.*, and in the higher interest of substantial justice, the present case ought to be remanded to the trial court for reception of evidence to determine the precise extent of the damages Quiroz claims to have suffered due to Nalus's contractual breach.

¹¹ G.R. No. 224194, June 19, 2019 [Notice, Second Division].

¹² 130 Phil. 846 (1968) [Per J. Castro, *En Banc*].

Incidentally, petitioner's invocation of *Santiago* and *Tropical* is misplaced not being on all fours with the present case. In *Santiago*, the parties had actually stipulated on the value of the cut timber, hence, the trial court simply adopted this stipulated value in awarding actual damages to the plaintiff *via* a judgment on the pleadings. On the other hand, in *Tropical Homes*, the award of actual damages was based on the reconstructed payment scheme which defendant himself had agreed to settle on record but later on refused to pay. In both cases, therefore, there was no need for plaintiffs to adduce evidence to support their respective claims for actual damages. The case here is different though. There was no stipulation, much less, admission on the extent of actual damages sustained by the plaintiff. Consequently, we cannot dispense with the presentation of evidence *vis-à-vis* her claim for damages.

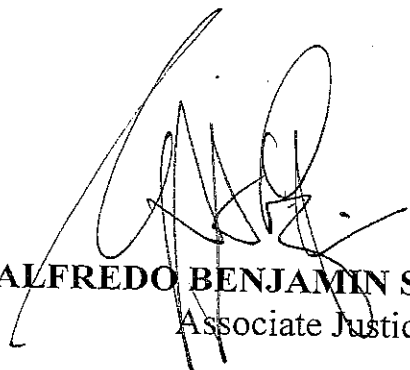
ACCORDINGLY, the Court resolves to **NOTE** the respondent's opposition/comment on petitioner's motion for reconsideration of the Resolution dated March 11, 2020, praying that said motion be denied for lack of merit.

The Court further resolves to **PARTIALLY GRANT** the motion for reconsideration and **MODIFY** our Resolution dated March 11, 2020. Civil Case No. 14-131611 is **REMANDED** to the Regional Trial Court, City of Manila, Branch 52 for reception of evidence on the precise extent of damages Gloria F. Quiroz claims to have sustained due to the contractual breach of Ramon R. Nalus.

SO ORDERED.


AMY C. LAZARO-JAVIER
Associate Justice


WE CONCUR:



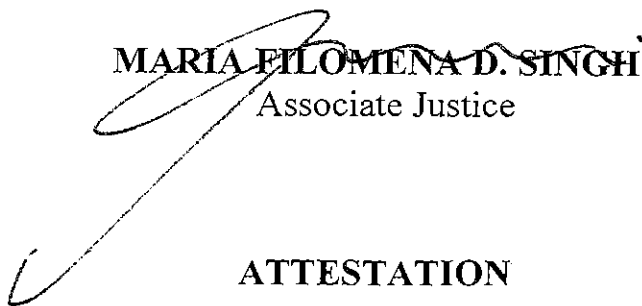
ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



MARIA LOPEZ
Associate Justice



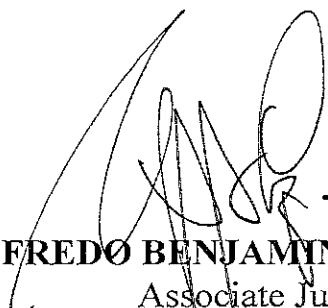
RICARDO R. ROSARIO
Associate Justice



MARIA FILOMENA D. SINGH
Associate Justice

ATTESTATION

I attest that the conclusions in the above Resolution had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

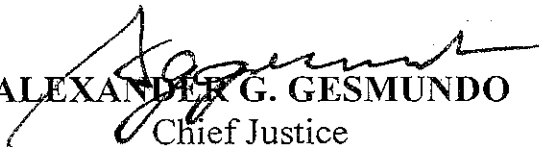


ALFREDO BENJAMIN S. CAGUIOA
Associate Justice
Chairperson
Special First Division



CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Resolution had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


ALEXANDER G. GESMUNDO
Chief Justice

