

# Republic of the Philippines Supreme Court Manila

### SECOND DIVISION

ADVAN MOTOR, INC. Petitioner,

G.R. No. 232798

LEONEN, J., Chairperson,

LAZARO-JAVIER,

LOPEZ, M.,

LOPEZ, J., and KHO, JR., JJ.

Present:

-versus-

LILA R. SAAVEDRA, Respondent.

**Promulgated:** NEC () 1 G WL

## DECISION

### LEONEN, J.:

The courts may neither grant awards on appeal which were never contemplated, prayed for, or proven by the parties during prior proceedings, nor increase an award of damages in favor of a party that failed to appeal.

This is a Petition for Review on Certiorari challenging the Court of Appeals' Decision<sup>1</sup> and Resolution<sup>2</sup> in CA-G.R. CV No. 104257. The challenged Decision partially granted Advan Motor, Inc.'s (Advan) appeal against the Regional Trial Court's finding that Advan had breached its contract

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*Rollo*, pp. 9–28. The January 31, 2017 Decision in C.A.-G.R. CV No. 104257 was penned by Associate Justice Romeo F. Barza, and concurred in by Associate Justices Andres B. Reyes, Jr., and Socorro B. Inting of the Court of Appeals Special First Division, Manila.

Id. at 30–32. The July 14, 2017 Resolution in C.A.-G.R. CV No. 104257 was penned by Associate Justice Romeo F. Barza, and concurred in by Associate Justices Andres B. Reyes, Jr., and Socorro B. Inting of the Court of Appeals Special First Division, Manila.

with Lila Saavedra (Saavedra).

On March 26, 2002, Saavedra purchased a Chevrolet Zafira (the Zafira) from Advan for ₱1,190,000.00. On February 2, 2007, Saavedra brought the car to Advan's repair shop because it "had a rough idling and certain symbols appeared on the console." The Zafira's estimated value, based on its vehicle insurance policy at the time it was brought for repair, was ₱700,000.00.<sup>3</sup>

Advan issued Saavedra a repair order listing the following works to be done on the Zafira: "a) check traction control on; b) check engine misfire; and c) check brakes noisy."<sup>4</sup>

On February 8, 2007, Advan told Saavedra that her car would need a new computer box, which the latter provided on February 22, 2007. Advan then informed Saavedra that the Zafira would require several other repairs to its intake valve, computer software, and transmission control module, among others. However, Advan did not respond to her email requesting for a detailed report of these repairs.<sup>5</sup>

With the Zafira's repair still incomplete on June 16, 2007, Saavedra requested its return regardless of working condition. Advan denied the request, claiming that the car's engine "had been dismantled and sent to a repair shop".<sup>6</sup> On July 9, 2007, Saavedra sought the assistance of counsel in sending Advan a letter demanding payment for the vehicle's market value, indicating that she was "no longer interested in getting back the Zafira[.]"<sup>7</sup>

When her demand letter was ignored, Saavedra filed a Complaint for sum of money and damages against Advan for its "incompetence as a dealer and repair shop." Claiming that she was deprived of using her vehicle, Saavedra said Advan should pay the "reasonable value of the use" of the vehicle.<sup>8</sup>

In its Answer, Advan claimed that Saavedra had no cause of action because the promise to repair the car was subject to the availability of parts provided by its supplier, General Motors. Advan said that it did not deprive Saavedra of the vehicle by waiting for the delivery of the needed materials. Instead, Advan claimed that Saavedra's "malicious acts have tarnished [Advan's] reputation and business", and have forced it to litigate, making moral damages and attorney's fees proper.<sup>9</sup>

- <sup>3</sup> Id. at 140.
- 4 Id.
- <sup>5</sup> Id.

<sup>6</sup> Id. at 140–141.
<sup>7</sup> Id. at 11.

- <sup>8</sup> Id. at 141.
- 9 Id.

After pretrial, the trial court enumerated the issues for resolution as: (a) whether or not Advan violated its contract of repair with Saavedra; (b) whether or not Advan should pay the full value of the vehicle to Saavedra; and (c) whether or not Saavedra was entitled to the damages claimed in her Complaint.

The trial court ruled in favor of Saavedra, finding that: (1) Advan breached its contract of repair when it failed to carry out its issued repair order; (2) Advan was liable to pay the full amount of the Zafira's value "based on the limit of liability by the insurance company"; (3) Advan was liable to pay the monthly amortization on the new Toyota Vios (the Vios) Saavedra purchased to replace the Zafira; and (4) Advan acted in bad faith when it issued the repair order but failed to carry out a single work listed therein.<sup>10</sup>

WHEREFORE, judgment is hereby rendered, finding defendant liable to pay plaintiff the following:

1. Seven Hundred Thousand Pesos (Php700,000.00), representing the value of the subject vehicle;

2. Ten Thousand Five Hundred Eighteen Pesos (Php10,518.00) representing the monthly installment of the Vios' car bought by plaintiff, but only insofar as the installments paid by plaintiff from January 11, 2008, the date the instant complaint was filed until the same is fully paid;

3. Twenty Thousand Pesos (Php20,000.00) as moral damages;

4. Twenty Thousand Pesos (Php20,000.00) as exemplary damages;

5. One Hundred Thousand Pesos (Php100,000.00) as attorney's fees plus Php5,000.00 appearance fee per court hearing; and

6. Costs of suit.

Defendant's counter claims are denied for lack of merit.

SO ORDERED.<sup>11</sup>

Advan appealed the trial court's Decision to the Court of Appeals, arguing that: (1) Saavedra's evidence failed to establish a cause of action; (2) Advan should not have been held liable for the full resale value of Saavedra's car; and (3) the trial court erred in granting reliefs not specifically requested by Saavedra.<sup>12</sup>

The Court of Appeals partially granted the appeal. While Advan was still found in breach of contract, its civil liability was modified because: (1)

<sup>12</sup> Id. at 12–13.

<sup>&</sup>lt;sup>10</sup> Id. at 146–148.

<sup>&</sup>lt;sup>11</sup> Id. at 148.

there was no evidence that Advan's acts worsened the Zafira's condition; (2) Saavedra neither prayed for nor established Advan's liability for the cost of her replacement car; and (3) there was no proof of actual damage resulting from Saavedra's inability to use the Zafira.<sup>13</sup>

ACCORDINGLY, the appeal is PARTLY GRANTED. The Decision dated Spetember 11, 2014, of the Regional Trial Court of Paranaque City, Branch 195, in Civil Case no. 08-0008, is hereby MODIFIED, as follows:

1. Defendant Advan Motor Inc. is hereby ordered to RETURN to plaintiff Lila Saavedra her Chevrolet Zafira with Engine No. Z18XE3OT58990, Chassis No. WOLOTGF751ho22148, and Plate No. XEA 782 in good order and condition;

2. Advan Motor, Inc. is hereby ordered to PAY Lila Saavedra the following:

a. Two Hundred Thousand Pesos (Php200,000.00) as temperate damages;b. Two Hundred Thousand Pesos (Php200,000.00) as

moral damages;

c. Two Hundred Thousand Pesos (Php200,000.00) as exemplary damages:

d. One Hundred Thousand Pesos (Php100,000.00) as attorney's fees plus Php5.000.00 appearance fee per court hearing; and

e. Costs of the suit.

Defendant's counter claims are denied for lack of merit.

### SO ORDERED.<sup>14</sup>

The Court of Appeals denied Advan's subsequent Motion for Reconsideration.<sup>15</sup>

Hence, Advan filed this Petition for Review on Certiorari. Petitioner argues that: (1) the Court of Appeals should not have increased the awards for damages or granted other reliefs not initially prayed for in respondent's appeal; (2) respondent had already \*abandoned the vehicle and had never prayed for the vehicle's return in good working condition; and (3) the award for damages is excessive because petitioner's delay did not amount to bad faith.<sup>16</sup>

According to petitioner, respondent failed to appeal the trial court's award, which resulted in its finality.<sup>17</sup> Thus, the Court of Appeals should not have increased the amount of moral and exemplary damages. Petitioner also

- <sup>16</sup> Id. at 47–48.
- <sup>17</sup> Id. at 49.

<sup>&</sup>lt;sup>13</sup> Id. at 24–25.

<sup>&</sup>lt;sup>14</sup> Id. at 27–28.

<sup>&</sup>lt;sup>15</sup> Id. at 30–32

#### Decision

argues that ordering temperate damages in place of the installments for respondent's replacement car and the Zafira's return in good working condition were similarly improper, as they were never prayed for by respondent.<sup>18</sup> Further, petitioner claims that respondent explicitly abandoned the Zafira in her demand letter.<sup>19</sup>

In her Comment, respondent argues that petitioner's appeal threw the entire case open for review and allowed for the modified award for damages.<sup>20</sup> However, respondent assails the deletion of the ₱700,000.00 award corresponding to the Zafira's market value at the time it was sent to petitioner for repair. According to respondent, she was able to prove petitioner's inability to repair the Zafira, making it proper to award her the vehicle's fair market value instead of its return.<sup>21</sup>

Respondent also contends that her general prayer for other reliefs gave sufficient basis for the award of monthly installments corresponding to her replacement vehicle's purchase price. Respondent claims that by including proof of the Vios' acquisition cost in her tender of excluded evidence, she gave sufficient basis for claiming the Vios' cost as actual damages against petitioner.

This Court resolves the following issues:

first, whether the appellate court validly granted reliefs not prayed for by the parties, particularly, when it ordered the return of the Zafira to respondent Lila R. Saavedra;

second, whether the Court of Appeals correctly awarded damages in favor of respondent Lila R. Saavedra; and

finally, whether it was proper to increase the damages awarded to respondent Lila R. Saavedra despite their failure to appeal the prior judgment.

We partially grant the Petition.

The Court of Appeals should not have ordered the return of the vehicle when neither party prayed for the same. In any event, it is no longer feasible to return the Zafira to respondent, as both parties have agreed on the vehicle's abandonment and treated the vehicle, as such. Petitioner should instead be made to pay respondent the vehicle's fair market value at the time it was surrendered for repair, as previously decided by the Regional Trial Court.

<sup>&</sup>lt;sup>18</sup> Id. at 51.

<sup>&</sup>lt;sup>19</sup> Id. at 54.

<sup>&</sup>lt;sup>20</sup> Id. at 118.

<sup>&</sup>lt;sup>21</sup> Id. at 123.

Petitioner should also pay temperate damages for respondent's inability to use the Zafira pending its repair, as a pecuniary loss distinct from the loss of the vehicle.

Likewise, the Court of Appeals should not have increased the award for moral and exemplary damages without an appeal from respondent. However, we affirm the deletion of petitioner's liability for the installment payments on the Vios. Respondent's purchase of another vehicle is unrelated to the contract of repair that she entered into with petitioner. However, petitioner may still be held liable for depriving respondent of the use of the Zafira, in the form of temperate damages.

While these issues involve factual questions, which are normally outside the scope of a Rule 45 Petition, the inconsistent rulings by the lower courts merit a review of these matters.<sup>22</sup>

I

The appellate court erroneously ordered petitioner to return the Zafira in good working condition, despite neither party having prayed for this relief during any of the prior proceedings. *Bucal v. Bucal*<sup>23</sup> explained how including a relief, which neither party had prayed for, would violate the parties' right to due process:

It is well-settled that *courts cannot grant a relief not prayed for in the pleadings or in excess of what is being sought by a party to a case.* The rationale for the rule was explained in *Development Bank of the Philippines v. Teston, viz.*:

Due process considerations justify this requirement. It is improper to enter an order which exceeds the scope of relief sought by the pleadings, absent notice which affords the opposing party an opportunity to be heard with respect to the proposed relief. The fundamental purpose of the requirement that allegations of a complaint must provide the measure of recovery is to prevent surprise to the defendant.

For the same reason, this protection against surprises granted to defendants should also be available to petitioners. *Verily, both parties to a suit are entitled to due process against unforeseen and arbitrary judgments.* The very essence of due process is "the sporting idea of fair play" which forbids the grant of relief on matters where a party to the suit was not given an opportunity to be heard.<sup>24</sup> (Citations omitted; emphasis supplied)

<sup>&</sup>lt;sup>22</sup> Pascual v. Burgos, 776 Phil. 167, 182–183 (2016) [Per J. Leonen, Second Division].

<sup>&</sup>lt;sup>23</sup> 760 Phil. 912 (2015) [Per J. Perlas-Bernabe, First Division].

<sup>&</sup>lt;sup>24</sup> Id. at 921–922.

#### Decision

While courts may grant reliefs that are not specifically prayed for in pursuit of judicial economy and to arrive at a just and complete judgment, the entitlement to these reliefs must be supported by evidence.<sup>25</sup> The records provide that the parties have always argued only for or against liability for damages, and that the rulings of the lower courts involved only a discussion of the respective parties' liabilities for damages, if any.<sup>26</sup>

Here, the parties initially entered into a contract for the repair of the Zafira, but respondent eventually demanded payment for the vehicle's fair market value when it became clear to her that its repair would not be forthcoming, and after petitioner refused a subsequent demand for the vehicle's release, regardless of condition.<sup>27</sup> After concluding trial, the lower courts found no evidence of the vehicle's present condition or when the repairs were accomplished, if at all.<sup>28</sup> Now before this Court, petitioner questions the order to return the vehicle to respondent, maintaining that the same has been abandoned.<sup>29</sup>

Thus, neither of the parties contemplated the return of the vehicle and the lower courts never entertained any argument on this point. Therefore, the Court of Appeals should not have ordered the vehicle's return, as an award for damages would have adequately resolved the dispute.

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With both parties agreeing that the return of the vehicle would not be feasible, this Court must now resolve the liabilities arising from the failure of its repair.

*Optimum Motor Center Corp. v. Tan*<sup>30</sup> exhibits similar circumstances with the present case. Both involved a vehicle repair shop demanding payment for costs incurred in repairing a vehicle despite being unable to return it to its owner. Discussing the nature of the mechanic's lien, this Court ruled that failure to accomplish the ordered repairs negated the right to retain the vehicle under the mechanic's lien, and instead made the mechanic liable for the vehicle's fair market value if its "restitution is no longer feasible."

Optimum's invocation of the mechanic's lien is apparently based on the repairs it executed on the truck. However, the lower courts had already come up with a categorical finding based on testimonies of independent witnesses that the repairs had not been accomplished in accordance with the agreement of the parties. We have to sustain these factual findings, for

<sup>&</sup>lt;sup>25</sup> Diona v. Balangue, 701 Phil. 19, 31 (2013) [Per J. Del Castillo, Second Division].

<sup>&</sup>lt;sup>26</sup> *Rollo*, pp. 12–13 and 140.

<sup>&</sup>lt;sup>27</sup> Id. at 140–141.

<sup>&</sup>lt;sup>28</sup> Id. at 18 and 25–26.

<sup>&</sup>lt;sup>29</sup> Id. at 53–54.

<sup>&</sup>lt;sup>30</sup> 580 Phil. 244 (2008) [Per J. Tinga, Second Division].

basic is the tenet that the trial court's findings of facts as affirmed by the Court of Appeals are binding on this Court, unless the lower courts overlooked, misconstrued or misinterpreted facts and circumstances of substance which, if considered, would change the outcome of the case.

As a result of the failure to accomplish the repairs on the truck, the right to retain the truck in accordance with Article 1731 did not arise. Optimum's continuous possession or detention of the truck turned to be that of a deforciant and so respondent has every right to recover possession of it.

From another perspective, Optimum is obliged to take care of the truck with the proper diligence of a good father to a family while the same is in its possession. Records show that the subject truck had already deteriorated while in the possession of Optimum. *Taking into consideration the last known condition of the truck in tandem with the fact that the court proceedings have spanned almost a decade, it can be readily inferred that the truck has become wholly useless. Since restitution is no longer feasible, Optimum is bound to pay the value of the truck.* 

The value of the truck should be based on the fair market value that the property would command at the time it was entrusted to Optimum. Such recoverable value is fair and reasonable considering that the value of a motor vehicle depreciates. This value may be recovered without prejudice to such other damages a claimant is entitled to under applicable laws.<sup>31</sup> (Citations omitted; emphasis supplied)

Consistent with *Optimum Motor*, petitioner in this case cannot demand payment for the costs it incurred in repairing the Zafira without proving the completion of the repairs it was contracted to accomplish. Petitioner's failure to establish the status of repair or disrepair, together with its retention of the vehicle without any indication of the vehicle's status or condition, led the trial court to conclude that the Zafira's return is no longer feasible.<sup>32</sup> We adopt the trial court's findings over that of the Court of Appeals, as the latter's order to return the Zafira was neither argued by the parties, nor proven to be appropriate. Thus, petitioner must pay respondent the Zafira's fair market value as compensation for its loss.

As to respondent's claim for damages resulting from her inability to use her vehicle, we affirm the Court of Appeals' finding that temperate damages would be appropriate to compensate respondent for "travel expenses she incurred while the Zafira was not in her possession[.]"<sup>33</sup> *Imperial v. Heirs of Spouses Bayaban*<sup>34</sup> discusses the rule on temperate damages, vis-à-vis actual damages:

Furthermore, apart from the actual damages for the hospital and medical expenses that respondents have incurred, this Court finds that respondents are entitled to temperate damages for loss of earning capacity.

<sup>&</sup>lt;sup>31</sup> Id. at 254–255.

<sup>&</sup>lt;sup>32</sup> *Rollo*, p. 147.

<sup>&</sup>lt;sup>33</sup> Id. at 22.

<sup>&</sup>lt;sup>34</sup> G.R. No. 197626, October 3, 2018 <https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/64700> [Per J. Leonen, Third Division].

Temperate or moderate damages, which are more than nominal but less than actual or compensatory damages, may be recovered when the court finds that *some pecuniary loss has been suffered*, *but its amount cannot, from the nature of the case, be proved with certainty.* Temperate damages must be reasonable under the circumstances.

While respondents failed to put forward definite proof of income lost during confinement and post-therapy, they still suffered pecuniary loss when they were incapacitated to work. Under the circumstances, the P100,000.00 awarded by the Regional Trial Court is reasonable to compensate them for the income that the Bayaban Spouses could have earned as a second-mate seaman and a pharmacist, respectively. As opposed to the Court of Appeals' ruling, temperate damages may still be awarded to respondents despite previous award of actual damages because the damages cover distinct pecuniary losses. The temperate damages awarded cover the loss of earning capacity while the actual damages cover the medical and hospital expenses.<sup>35</sup> (Citations omitted; emphasis supplied)

As in *Imperial*, respondent was unable to prove the exact amount of pecuniary loss suffered from her inability to use the Zafira pending its repair, but did establish that her mobility was restricted in the interim. Consistent with another instance of wrongful deprivation of a motor vehicle,<sup>36</sup> and with respondent's admission of using<sup>6</sup> the vehicle only for leisure,<sup>37</sup> we find it appropriate to award respondent ₱25,000.00 as temperate damages. This award may be sustained together with actual damages for the loss of the Zafira, consistent with *Imperial's* ruling that the actual damages and temperate damages cover "distinct pecuniary losses."<sup>38</sup>

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While we affirm the propriety of awarding moral and exemplary damages to respondent, the Court of Appeals should not have increased the amount of damages awarded, in view of respondent's failure to appeal. *Filinvest Credit Corp. v Intermediate Appellate Court*<sup>39</sup> discussed the impropriety of doing so, as follows:

There is no gainsaying that the plaintiff-appellee (respondent Suñga) did not appeal from the decision of the court *a quo* which awarded him the sum of P30,000.00 by way of moral damages. "Well settled is the rule in this jurisdiction that whenever an appeal is taken in a civil case an appellee who has not himself appealed cannot obtain from the appellate court any affirmative relief other than the ones granted in the decision of the court below." Verily *the respondent court disregarded such a well settled rule when it increased the award for moral damages from P30,000.00 to* 

<sup>35</sup> Id.

<sup>37</sup> *Rolle*, pp. 23–24.

<sup>&</sup>lt;sup>36</sup> Spouses Yu v. Ngo Yet Te, 543 Phil. 389, 403 (2007) [Per J. Austria-Martinez, Third Division].

 <sup>&</sup>lt;sup>38</sup> Imperial v. Heirs of Spouses Bayaban, G.R. No. 197626, October 3, 2018
<a href="https://elibrary.judiciary.gov.ph/thebooksheif/showdocs/1/64700">https://elibrary.judiciary.gov.ph/thebooksheif/showdocs/1/64700</a> [Per J. Leonen, Third Division].
<sup>39</sup> 248 Phil. 394 (1988) [Per J. Sarmiento, Second Division].

*P50,000.00, notwithstanding the fact that the private respondent did not appeal from the judgment of the trial court,* an act indicative of grave abuse of discretion amounting to lack of jurisdiction.<sup>40</sup> (*Citations omitted; emphasis supplied*)

Not even a general prayer for other "just and equitable" reliefs will merit "modification or reversal of the judgement or affirmative relief" absent an appeal.

We do not agree with private respondent's argument that the increase in the award of moral damages is justified by the prayer in its brief, to wit: FURTHER REMEDIES AND RELIEFS DEEMED JUST AND EQUITABLE UNDER AND WITHIN THE PREMISES ARE PRAYED FOR. Such statement is usually extant in practically all pleadings as a final statement; it is rhetorical flourish as it were and could not be a substitute for appeal as required by the rules for "the appellee cannot seek modification or reversal of the judgment or affirmative relief, unless he has also appealed therefrom."<sup>41</sup> (Emphasis supplied)

Thus, the non-appealing party is confined to advancing only those arguments and errors that would "defeat the appellant's claim" or "uphold the decision that is being disputed," but cannot argue to reverse or modify the judgement in their favor. *Atlantic Gulf and Pacific Company of Manila, Inc. v. Court of Appeals*<sup>42</sup> pertinently provides that:

Respondent appellate court exceeded its jurisdiction when it modified the judgment of the trial court by increasing the award of damages in favor of private respondents who, in the first place, did not interpose an appeal therefrom. This being the case, they are presumed to be satisfied with the adjudication made by the lower court. As to them, the judgment of the court below may be said to have attained finality.

The entrenched procedural rule in this jurisdiction is that a party who has not himself appealed cannot obtain from the appellate court any affirmative relief other than those granted in the decision of the lower court. The appellee can only advance any argument that he may deem necessary to defeat the appellant's claim or to uphold the decision that is being disputed. He can assign errors on appeal if such are required to strengthen the views expressed by the court *a quo*. Such assigned errors, in turn, may be considered by the appellate court solely to maintain the appealed decision on other grounds, but not for the purpose of modifying the judgment in the appellee's favor and giving him other affirmative reliefs.<sup>43</sup> (Citations omitted; emphasis supplied)

Here, respondent all but admitted that she did not appeal the Regional Trial Court's Decision setting petitioner's liability for compensatory, moral and exemplary damages at ₱700,000.00, ₱20,000.00, and ₱20,000.00,

<sup>43</sup> Id. at 714--715.

<sup>&</sup>lt;sup>40</sup> Id. at 401

<sup>&</sup>lt;sup>41</sup> d. at 404.

<sup>&</sup>lt;sup>42</sup> 317 Phil. 707 (1995) [Per J. Regalado, Second Division].

respectively. Respondent's failure to appeal the amount of these awards is equivalent to her expression of satisfaction with the same.

We likewise affirm the Court of Appeals' deletion of the monetary award for the installments paid on respondent's purchase of a new vehicle. Respondent's entitlement to the fair market value of the Zafira and to temperate, moral, and exemplary damages for the losses she suffered in her dealings with petitioner suffice to make her whole. Further, while respondent purchased a new vehicle as a direct consequence of her dealings with petitioner, she did not sustain any damage from making such a purchase but instead acquired property which was ultimately useful to her. Paying respondent for the purchase price of the replacement vehicle would amount to giving her the replacement vehicle for free in addition to compensating her for the one she lost, which amounts to unjust enrichment.<sup>44</sup> In any event, the Court of Appeals aptly noted that respondent did not seek the recovery of the replacement vehicle's purchase price.<sup>45</sup>

As to interest, petitioner's failure to render the necessary services to repair respondent's vehicle caused damage to respondent, which may earn legal interest at the rate of 6% per annum from the time of extra-judicial demand,<sup>46</sup> consistent with *Nacar v. Gallery Frames*,<sup>47</sup> as clarified in *Lara's Gifts and Decors, Inc. v. Midtown Industrial Sales, Inc.*<sup>48</sup>

A vehicle owner cannot simply abandon their vehicle to a repair shop's possession and then demand payment for its value upon dissatisfaction with the mechanic's service. However, petitioner failed to prove its compliance with the repair contract or to establish the status of the vehicle it was tasked with repairing. The lapse of time, the uncertainty regarding the condition of the vehicle, and the parties' mutual agreement to treat the vehicle as abandoned, convince this Court that the vehicle can no longer be returned in any reasonably acceptable condition and must be deemed lost.

ACCORDINGLY, the Petition for Review on Certiorari is PARTIALLY GRANTED. The Court of Appeals' Decision dated January 31, 2017 and its Resolution dated July 14, 2017 are AFFIRMED with MODIFICATION.

The Court of Appeals' order for petitioner Advan Motor, Inc. to return the subject vehicle to respondent Lila R. Saavedra in good working condition is hereby **DELETED**.

<sup>&</sup>lt;sup>44</sup> Republic Planters Bank v. Montinola, 518 Phil. 344, 352 (2006) [Per J. Garcia, Second Division].

<sup>&</sup>lt;sup>45</sup> *Rollo*, pp. 23–24.

<sup>&</sup>lt;sup>46</sup> Lara's Gifts & Decors, Inc., v. Midtown Industrial Sales, Inc., G.R. No. 225433, September 20, 2022 [Per J. Leonen, En Banc]; See also, Norsk Hydro (Philippines), Inc., et al., v. Premier Development Bank, et al., G.R. No.226771, September 16, 2020 [Per J. J.C. Reyes, Jr., First Division].

<sup>&</sup>lt;sup>47</sup> 716 Phil. 267 (2013) [Per J. Peralta, *En Banc*].

<sup>&</sup>lt;sup>48</sup> G.R. No. 225433, September 20, 2022 [Per J. Leonen, *En Banc*].

Decision

Instead, petitioner Advan Motor, Inc. is hereby ordered to **PAY** respondent Lila R. Saavedra the following:

- a. ₱700,000.00 in actual damages, as compensation for loss of respondent's vehicle;
- b. ₱20,000.00 as moral damages;
- c. ₱20,000.00 as exemplary damages;
- d. ₱25,000.00 as temperate damages;
- e. Attorney's fees of ₱100,000.00, and ₱5,000.00 appearance fee per court hearing; and
- f. Costs of the suit.

The foregoing monetary awards, except the costs of the suit,<sup>49</sup> shall earn legal interest at the rate of six percent (6%) per annum from the time of extrajudicial demand on July 9, 2007, until fully paid.

### SO ORDERED.

MARVIC M.V.F. LEONEN

Senior Associate Justice

WE CONCUR:

AMY C. ZÄRO-JAVIER

Associate Justice

**.IHOSE** Associate Justice

CO Jo ANTONÍO T. KHO, JR. Associate Justice

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<sup>&</sup>lt;sup>49</sup> Norsk Hydro (Philippines), Inc., et al., v. Premiere Development Bank et al., G.R No. 226771, September 16, 2020 [Per J. J.C. Reyes, Jr., First Division].

## ATTESTATION

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

MARVIC M.V.F. LEONEN

Senior Associate Justice Chairperson

### CERTIFICATION

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

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GESMUNDO

