

AMELIA C. ELAYDA, PETITIONER, VS. COURT OF APPEALS, AND SPOUSES PEDRO ROXAS AND LEONORA T. ROXAS, RESPONDENTS.

G.R. No. L-49327. July 18, 1991

Ponente: NARVASA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/304e7fdd9601/>

NARVASA, J.:

Once again, in the resolution of an appeal, the Court is called upon to apply a familiar rule of unvarying observance which is, that only questions of law may be raised in a petition for review on certiorari of a judgment of the Court of Appeals, this Court being bound by the latter's findings of fact,[1] subject to certain well defined exceptions.[2] In accordance therewith, the Court now resolves the proceedings at bar.

The proceedings originated from a complaint of Amelia C. Elayda filed in the Court of First Instance (now Regional Trial Court) at Quezon City against the Spouses Pedro Roxas and Leonora T. Roxas.[3] In her complaint, Elayda basically sought recovery of loans extended to the defendants in the aggregate sum of P90,000.00, with interest, the loans having been secured by post-dated checks issued by the spouses and receipts signed by them purporting to show that they had received jewelry to be sold on commission. In their answer, the Roxases admitted having received said loans but claimed that the loans had been paid in full; that in fact, their total payments exceeded the total obligation justly and actually due from them, and they had been required to pay usurious interests.

On these issues, trial was had.

The plaintiff, Elayda, presented her testimonial and documentary proofs in due course, in substantiation of her cause of action for recovery of P90,000.00 plus interest.

The Roxas spouses in their turn, adduced evidence which tended to show that they had received the loans aggregating P90,000.00 on two separate occasions -- one in the sum of P40,000.00 and the other, in the amount of P50,000.00; that they were required to give, and did give, a "kickback" of P10,000.00 and to pay, as they did pay, interest at the rate of four percent (4%) a month; and that the total payments made by them to Elayda amounted to P112,674.00.

To counteract this evidence of the Roxases, Elayda tried to submit a statement prepared by her accountant to the effect that the total loan given by her to the spouses amounted to P186,000.00, not P90,000.00 (as stated in her complaint and as sought to be established by her in her evidence-in-chief); that the payments made by the spouses on account thereof came up to only P110,474.00 -- of which the sum of P14,223.81 was charged to interest at 14% per annum and P96,250.19, to principal -- thus leaving a balance due from them of P89,749.81. The proffered statement was rejected by the Trial Court, on objection of the Roxases, on the ground that it was contrary to the judicial admissions in plaintiff's complaint and was being presented after conclusion of the trial.

The Trial Court thereafter rendered judgment adversely to the plaintiff Elayda.[4] Upon the ultimate finding that :

" * * (as established by the evidence) defendants have paid plaintiff the total sum of P112,674.00 on account of

the principal loan of P90,000.00 but it is settled law that in a usurious transaction the creditor may only be reimbursed the amount of the principal loan and must return the interest paid by the debtor the agreement to that effect being null and void (Art. 1957, New Civil Code). It results that plaintiff is under obligation to return to defendants the sum of P22,674.00 representing the kickback and usurious interest charged on the loan.",

it disposed of the case as follows:

"WHEREFORE, the preponderance of evidence being clearly in favor of defendants, the complaint is dismissed and the plaintiff is condemned to reimburse and return to defendants the sum of P22,674.00. with costs against plaintiff."

Elayda filed a motion for reconsideration and/or new trial. This was denied.[5]

Elayda appealed to the Court of Appeals. There she also failed. The Appellate Tribunal affirmed the Trial Court's judgment in its entirety, as "being in accordance with law and the evidence." [6] She moved for reconsideration, and when her motion was denied, [7] took an appeal to this Court by certiorari.

Various errors are attributed by Elayda to the Court of Appeals and the Trial Court, viz.:

- 1) affirming the Trial Court's adjudgment that Elayda should return P22,674.00 to the Roxases, as excess payment of the latter;
- 2) taking account of partial payments of the Roxases prior to November 17, 1964, the date when they agreed on P90,000.00 as the liquidated unpaid balance;
- 3) finding that the only loans extended to the Roxases were two: one in the amount of P50,000.00, in September, 1963 and the other, in the sum of P40,000.00 in November, 1963, and disregarding the five (5) checks presented by Elayda in the total sum of P97,600.00;
- 4) finding that the Roxases did pay 4% interest monthly to Elayda;
- 5) holding that the failure of Elayda to deny, specifically and under oath, the Roxases' allegation of usury, was an implied admission of the allegation;
- 6) not sentencing the Roxases instead to pay P90,000.00, with interest at 12% per annum from November 17, 1964 as well as attorney's fees and costs.

The assignment of errors makes it obvious that the whole case turns on one crucial issue, which is, whose version of the material occurrences has been established by a preponderance of the evidence:

- a) that of Elayda -- that the amount lent by her to the Roxas Spouses was actually P186,000.00, not P90,000.00 (as set out in her complaint); that the payments made by the defendants added up to only P110,474.00, of which the sum of P14,223.81 was applied to interest at 14% per annum and P96,250.19, to principal, thus leaving a balance of P89,749.81 still owing to her -- or
- b) that of the Roxases -- that the loan in truth given was only P90,000.00 ; that they gave on demand a "kickback" of P10,000.00 and paid interest at the rate of four percent (4%) a month; and that all the payments made by them, really came to P112,674.00.

It should be equally obvious that the determination of this issue -- which includes substantially all other questions set up by Elayda (e.g., whether or not the checks given to Lim Go Tong constituted additional loans of the Roxases; whether interest at usurious rates was in fact paid; etc.) -- is essentially a factual adjudication which, by authority of the rule and precedents adverted to in the opening paragraph of this opinion, is conclusive on and may not be reviewed by this Court, absent any of the recognized exceptions thereto. But this is what at bottom

petitioner would have this Court do: go over the proofs presented by the parties, and analyze, assess and weigh them to ascertain if the Trial Court and the Appellate Court were correct in according superior credit to this or that piece of evidence and eventually, to the totality of the evidence of one party or the other. This, the Court cannot and will not do.

Of course, the matter of whether a particular item of proof was properly admitted or rejected in light of the rules of evidence, is an issue of law. Of this character is the issue raised by Elayda in respect of the Trial Court's rejection of her accountant's statement. This issue this Court can and does now pass upon.

The Court declares the rejection to be correct. Such rejection is entirely in accord with the "familiar doctrine" that "an admission made in the pleadings cannot be controverted by the party making such admission and are conclusive as to him, and that all proofs submitted by him contrary thereto or inconsistent therewith, should be ignored, whether objection is interposed by the party or not * * "[8] That doctrine, by the way, has since been embodied in the revised Rules of Court, effective on January 1, 1964, Section 2, Rule 129 of which reads as follows:

"Judicial admissions. -- Admissions made by the parties in the pleadings, or in the course of the trial or other proceedings do not require proof and can not be contradicted unless previously shown to have been made through palpable mistake."

Nothing in the record shows that Elayda's admissions in her complaint were indeed "made through palpable mistake."

Besides, if it be true that the total loan liability of the Roxases was not P90,000.00 only, but P186,000.00 (or P187,600.00), it is quite surprising that Elayda's evidence-in-chief, as plaintiff, was directed to proving an obligation of only P90,000.00. Even more surprising is the fact that in her complaint Elayda only alleged the sum of P90,000.00 as the indebtedness of the Roxases to her. The evidence of an indebtedness in excess of P90,000.00 would therefore appear to be a mere afterthought, difficult to accept at face value.

Also correct was the Trial Court's ruling, sustained by the Appellate Court, that Elayda's failure to deny specifically and under oath the accusation of usury set out in the Roxases' Amended Answer with Counterclaim -- alleging that Elayda required and received from the Roxas Spouses, "kickback and interest in excess of the legal rate" -- constituted an admission of that accusation. The ruling is entirely in accord with Section 1, Rule 9 of the Rules of Court which pertinently provides that "(a)llegations of usury are deemed admitted if not denied specifically and under oath." The admission is a judicial admission, albeit implied, and cannot be negated "unless previously shown to have been made through palpable mistake," supra, a showing which Elayda has not made.

WHEREFORE, the petition for review on certiorari is DENIED and the challenged judgment of the Court of Appeals, upholding that of the Trial Court, is AFFIRMED, with costs against the petitioner.

SO ORDERED.

Cruz, Gancayco, Griño-Aquino, and Medialdea, JJ., concur.

[1] Sec. 2, Rule 45 (second paragraph), Rules of Court; *Manlapaz v. CA*, et al., 147 SCRA 236; *Maclan v. Santos*, 156 SCRA 542; *Apex International Financing Corp. v. IAC*, 166 SCRA 458; *Reynolds Phil. Corp. v. CA*, 169 SCRA 220; *Mayuga v. Mayuga*, 170 SCRA 347; *Lauron v. CA*, 184 SCRA 215

[2] SEE, e.g., *Ramos v. Pepsi-Cola Bottling Co.*, 19 SCRA 289

- [3] The case was docketed as Civil Case No. Q-7860 and assigned by raffle to Branch IX of the CFI, Quezon City
- [4] Rendered on September 14, 1972 by Hon. Judge Feliciano S. Gonzales, then presiding over Branch IX of the CFI, Quezon City
- [5] By Order promulgated on March 30, 1973 by Hon. Ulpiano Sarmiento, who had taken over as Presiding Judge of Branch IX, after Judge Gonzales' retirement
- [6] The decision of the Court of Appeals, promulgated on May 30, 1978, was written for the Division by Hon. Ameurfina A. Melencio-Herrera (now Associate Justice of the Supreme Court), with whom concurred Hon. Mama D. Busran and Carlos L. Sundiam, JJ.
- [7] By Resolution dated November 6, 1978
- [8] *Joe's Radio Electrical Supply v. Alto Electronics Corp.*, 104 Phil. 333 (1958), cited in *Santiago v. de los Santos*, 61 SCRA 146 (1974)

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.