

**ATLANTIC GULF AND PACIFIC COMPANY OF MANILA, INC.,
PETITIONER, VS. COURT OF APPEALS, CARLITO D. CASTILLO, HEIRS
OF CRISTETA CASTILLO AND CORNELIO CASTILLO, RESPONDENTS.**

G.R. Nos. 114841-42. October 20, 1995

Ponente: REGALADO, J.

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REGALADO, J.:

Petitioner moves for the reconsideration of our judgment promulgated in this case on August 23, 1995, contending that (1) private respondents are permitted thereunder to recover damages twice for the same act or omission, and (2) the interests adjudged on the awarded damages should be reckoned from the date of finality of our aforesaid judgment rendered herein.

We reject the first submission. It is theorized by petitioner that our affirmance of the judgment of the trial court, which granted damages for both the "damage proper to the land" and "rentals for the same property," runs afoul of the proscription in Article 2177 of the Civil Code against double recovery of damages for the same act.

Petitioner overlooks the fact that private respondents, as plaintiffs in the actions filed in the court below, specifically alleged that as a result of petitioner's dredging operations the soil of the former's property "became infertile, salty, unproductive and unsuitable for agriculture." They further averred that petitioner's heavy equipment "used to utilize (private respondents') land as a depot or parking lot of these equipment(t) without paying any rent therefor." [1]

Respondent Court of Appeals affirmed the factual findings and conclusions of the trial court on the nature and cause of the twin items of damages sustained by private respondents, thus:

The main reason why (private respondents') properties were damaged, as found by the trial court, was due to the dredging operations undertaken by (petitioner) on the area, which findings are supported by the testimony of Carlito Castillo, testifying in Civil Case No. 10276, and Teodora Dimaculangan, in Civil Case No. 10696. x x x Neither has (petitioner) asseverated against (private respondents') submission that their properties were used by (petitioner) as a dump site for its equipment and trucks, and proof are the photographs of their properties showing tracks left by truck tires on their properties. (Parenthetical indication of the parties concerned are made for easy reference.) [2]

It is, therefore, clearly apparent that petitioner was guilty of two culpable transgressions on the property rights of private respondents, that is, for the ruination of the agricultural fertility or utility of the soil of their property and, further, for the unauthorized use of said property as a dump site or depot for petitioner's heavy equipment and trucks. Consequently, albeit with differing amounts, both courts correctly awarded damages both for the destruction of the land and for the unpaid rentals, or more correctly denominated, for the reasonable value of its use and occupation of the premises. There is consequently no merit in said objection of petitioner.

The second proposition of petitioner is better taken, in light of the reconciliation and clarification undertaken by

the Court of the heretofore imprecise and varying pronouncements on the imposition of interest in judgments for a sum of money.

In the recent case of *Eastern Shipping Lines, Inc. vs. Court of Appeals, et. al.*,^[3] the Court adopted interpretative rules on the matter of the imposable interest and the accrual thereof. The rules pertinent to the interest involved in the case at bar are hereunder briefed as applied to the controversy on the computation and the reckoning date thereof.^[4]

When an obligation not constituting a loan or forbearance of money is breached, interest on the amount of the damages awarded may be imposed at the rate of six percent (6%) per annum. No interest shall be adjudged on unliquidated claims unless the same can be established with reasonable certainty. Since the pleadings of herein private respondents in the trial court did not spell out said amounts with certitude, the legal interest thereon shall run only from the promulgation of judgment of said court, it being at that stage that the quantification of damages may be deemed to have been reasonably ascertained.

The actual base for the computation of such legal interest, however, shall be the amount as finally adjudged by this Court. Furthermore, when our judgment herein becomes final and executory, the rate of legal interest shall be twelve percent (12%) from such finality until the satisfaction of the total judgment account, the interim period being effectively equivalent to a forbearance of credit.

ACCORDINGLY, and by way of clarification, the judgment rendered by this Court in the instant case shall be understood to mean that the legal interest to be paid by petitioner is six percent (6%) of the amount due computed from September 6, 1990 when judgment was rendered by the trial court. Additionally, interest of twelve percent (12%) shall be imposed on such total amount due upon the finality of the judgment of the Court herein until the full satisfaction thereof.

SO ORDERED.

Narvasa, C.J., (Chairman), Puno, Mendoza, and Francisco, JJ., concur.

[1] Rollo, 20, 21.

[2] *Ibid.*, 14.

[3] G.R. No. 97412, July 12, 1994, 234 SCRA 78.

[4] The trial court ruled that the legal interest should be imposed "from the time of the filing of (the) complaint," while respondent Court of Appeals held that the same should be computed "from the time of the finality of (its) decision until the same shall have been fully paid."

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