

Title:

Nenita Carganillo vs. People of the Philippines: A Case of Estafa

Facts:

- On September 23, 1998, Teresita Lazaro, a rice trader, entrusted Nenita Carganillo, an alleged agent in the buy-and-sell of palay, with Php 132,000.00 to purchase palay. This agreement was documented in a “Kasunduan,” wherein Carganillo was to deliver the palay by November 28, 1998, or return the money if the purchase was not made.
- Carganillo failed to deliver the palay or return the money, leading Lazaro to file a complaint for estafa after her demands, both oral and written, were ignored.
- The Regional Trial Court (RTC) convicted Carganillo of estafa and sentenced her, which was later modified by the Court of Appeals (CA) regarding the penalty. Carganillo appealed to the Supreme Court through a petition for review on certiorari under Rule 45.

Issues:

1. Whether the CA erred in affirming Carganillo’s conviction of estafa despite her claims of the prosecution’s failure to prove guilt beyond a reasonable doubt.
2. Whether the “Kasunduan” represented a principal-agent agreement for palay purchase or disguised a simple money loan as claimed by Carganillo.

Court’s Decision:

The Supreme Court denied Carganillo’s petition, upholding the CA’s decision and affirming her conviction for estafa. The Court established that all elements required for the crime of estafa were present:

- Carganillo received money in trust from Lazaro.
- Misappropriation occurred when Carganillo failed to return the funds upon demand.
- The fraudulent act was to the prejudice of Lazaro.
- A demand for the return of the money was made by Lazaro.

The Court found credible evidence contradicting Carganillo’s claims and upheld the validity and intent of the “Kasunduan” as an agreement to buy palay, not as a simple loan.

Doctrine:

- The Parol Evidence Rule stipulates that when an agreement is reduced into writing, the document is considered to contain all terms of the agreement, barring few exceptions.
- For fraud to vitiate consent in a contract, it must be serious, sufficient to mislead an ordinarily prudent person, and must be the causal inducement for entering the contract.

Class Notes:

1. **Elements of Estafa**: (a) Reception of money or property received in trust; (b) Misappropriation or conversion of such money or property; (c) Act done to the prejudice of another; (d) Demand made by the offended party on the offender (RPC, Art. 315, par. 1[b]).
2. **Parol Evidence Rule**: No evidence outside the contents of a written agreement can be considered unless it falls under specified exceptions (Sec. 9, Rule 130, Rules of Court).
3. **Fraud in Contracts**: To annul consent, fraud must be *dolo causante*- serious enough to deceive an ordinary prudent person into error (Civil Code, Art. 1344).

Historical Background:

The complexities of financial transactions and trust relationships in the Philippine agricultural sector often lead to disputes assessed through the lens of criminal law, particularly estafa. This case exemplifies the judicial system's approach to disputes involving alleged misappropriations under fiduciary arrangements.