# PEOPLE OF THE PHILIPPINES, PLAINTIFF-APPELLEE, V. CONCEPCION CUYA, ACCUSED-APPELLANT.

Ponente: REYES-CARPIO, A., J.

Read online (full-text search, related cases, audio case brief): https://batas.org/library/0ac8ce9c9c79/

**REYES-CARPIO, A., J.:**

Accused-appellant, Concepcion Cuya,[1] appeals from the Decision[2] dated November 8, 2011 rendered by the Regional Trial Court, Branch 47, City of Puerto Princesa, in Criminal Case No. 13825, for the crime of Estafa, committed as follows:

> "That on or about the 3rd day of January 1997 and subsequently thereafter until February 17, 1997 and a series of transactions at Dimalanta Building, Rizal Avenue, Puerto Princesa City, Philippines and within the jurisdiction of this Honorable Court, the above-named accused, with unfaithfulness and with grave abuse of confidence and with intent to defraud, after having received from Ma. Socorro D. Nieto various jewelries all valued at TWENTY SEVEN THOUSAND SEVEN HUNDRED FORTY EIGHT PESOS (P27,748.00), Philippine Currency with previous agreement that the same will be sold on commission the proceeds to be turned over to the complainant and if unsold, to return the items thereto, but accused, once in possession of said articles, did then and there willfully, unlawfully and feloniously convert the same to her own personal use and benefit, and despite repeated demands made upon her to return the items or deliver the proceeds, accused failed and refused and still fails and refuses to do so, to the damage and prejudice of said Ma. Socorro D. Nieto, in the amount aforestated.
>
> CONTRARY TO LAW."[3]

## FACTS OF THE CASE

When arraigned on October 9, 1997, accused-appellant pleaded not guilty.[4] Thereafter, trial on the merits ensued. The facts, according to the plaintiff-appellee, are as follows:

> "On 3 January 1997, appellant Cuya approached Ma. Socorro D. Nieto ('Mrs. Nieto' for brevity) to allow her (appellant) to sell sets of jewelry to third parties in order for the latter to earn extra income for her family. Appellant and Mrs. Nieto came to an agreement whereby the latter would give the appellant sets of jewelry in order for the appellant to sell within two (2) months, and if the appellant could not sell it within the agreed period, the items shall be returned to Mrs. Nieto, otherwise the same shall be considered sold. This agreement was reduced into writing and the parties referred to it as their 'Trust Receipt Agreement' dated 3 January 1997. For that particular agreement, appellant received from Mrs. Nieto one (1) set ring/earring blue sapphire worth five thousand pesos (P5,000) and one (1) 14k Ruby Bracelet worth eight thousand five hundred pesos (P8,500).
>
> On 3 February 1997, another transaction was entered into by the parties, wherein appellant obtained one (1) set diamond jewelry valued at thirteen thousand five hundred pesos (P13,500) from Mrs. Nieto.
>
> On 17 February 1997, the final transaction entered into between the parties, wherein appellant obtained from Mrs. Nieto one (1) set ring/earring with diamonds worth five thousand five hundred pesos (P5,500); one (1) 18k lady's ring with 2.3g topaz worth nine hundred twenty pesos (P920.00); one (1) men's ring 18k 4.2g

worth one thousand six hundred eighty pesos (P1,680); and one (1) gold link bracelet Japan 18k 9.0g.

After the expiration of the period agreed upon by the parties, the appellant failed to fulfill her obligations to the private complainant. The amount of TWENTY SEVEN THOUSAND SEVEN HUNDRED FORTY EIGHT (Php 27,748.00) represents the remaining liability of the appellant to the private complainant as of the filing of the instant case.

On 2 June 1997 private complainant consulted a lawyer. On even date the appellant received a demand letter from the said lawyer. Despite such demand, the appellant still failed to fulfill her obligations, hence, on 7 June 1997, she executed an affidavit-complaint against the said appellant. The said affidavit-complaint is dated 18 June 1997."[5]

Accused-appellant, on the other hand, averred that:

"a) As testified by the complainant, the true agreement of the parties was that Concepcion Cuya would sell the jewelry on commission, and to return the same, or the value thereof, otherwise the jewelry would be considered sold to the accused.

b) The accused testified that she was able to return two (2) pieces of jewelry to the complainant. As a consequence of [the] aforementioned agreement, if the accused would not be able to sell the jewelry or would not be able to return the same to the complainant, it would be considered automatically sold to her. In effect, after the expiration of the period of agreement to sell, the accused automatically becomes the owner of the unsold jewelry by operation of law because the supposed trust receipt agreement had been converted into a sale. Anent thereto, the complainant agreed that the accused will pay the money obligation on daily installment. However, said agreement was revoked by the complainant when she executed a demand letter demanding immediate and full satisfaction of the said obligation. If [there is] any liability the accused has to the complainant, it is pure civil liability. The accused is liable to pay to the complainant the amount of jewelry considered by law as deemed sold to the accused."[6]

On November 8, 2011, the court a quo rendered its assailed Decision, the decretal portion of which states:

"WHEREFORE, premises considered, the Court finds the accused CONCEPCION CUYA guilty beyond reasonable doubt of the crime of ESTAFA as defined and penalized under Article 315 (1) (b) of the Revised Penal Code for misappropriating the amount of P27,748.00, to the damage and prejudice of Mrs. Socorro Nieto, and hereby sentences her to suffer the indeterminate penalty of imprisonment from TWO (2) YEARS, FOUR (4) MONTHS and ONE (1) DAY, which is the medium of Prision Correccional, as MINIMUM, to EIGHT (8) YEARS, which is the minimum of Prision Mayor, as MAXIMUM, because Article 315 of the Revised Penal Code also provides that if the amount of the fraud exceeds P22,000.00, the penalty provided shall be imposed in the maximum; and to pay Mrs. Socorro D. Nieto the amount of TWENTY SEVEN THOUSAND SEVEN HUNDRED FORTY EIGHT PESOS (P27,748.00) as actual damages representing the amount of the fraud committed against the said private nominal complainant.

IT IS SO ORDERED."[7]

Hence, the instant appeal.

## ASSIGNMENT OF ERRORS

THE TRIAL COURT ERRED IN FINDING THAT THE PROSECUTION HAS BEEN ABLE TO PROVE THE GUILT OF THE ACCUSED-APPELLANT BEYOND REASONABLE DOUBT.

THE TRIAL COURT ERRED IN HOLDING THAT ALL THE ELEMENTS OF ESTAFA IN GENERAL ARE PRESENT IN THIS CASE.


*Bar review courses, mock exams and a study planner that keeps you on pace - batas.org*

## DISCUSSION

It is undisputed that accused-appellant received jewelry from the private complainant as evidenced by their contracts denominated as Trust Receipt Agreements. In describing the transactions involved herein, private complainant Ma. Socorro Nieto testified that: "[o]ur agreement was that she will return these jewelries if she could not sell it for a period of two months, and after the period of two months [if] it will not be returned, it will be considered sold."[8] Pursuant to their agreement, accused-appellant exercised her option not to return the jewelry to the private complainant after a period of two months and opted instead to pay for the same by installments, viz:

> "Q: And you said you have obligations, what obligations did you incur from this Mrs. Nieto?
> A: I was able to obtain jewelries from her which I sell and earn additional interest.
>
> Q: And what was your agreement with Mrs. Nieto with respect to the value of the jewelries?
> A: I will just pay her on installment."[9]

The only problem was that accused-appellant was not able to fully pay the amount she owed to the private complainant within the agreed period of time. Hence, she was charged with the crime of Estafa under Art. 315 paragraph 1(b) of the Revised Penal Code, which reads as follows:

> "Art. 315. Swindling (estafa). Any person who shall defraud another by any of the means mentioned herein below shall be punished by:
>
> xxx
>
> 1. With unfaithfulness or abuse of confidence, namely:
>
> xxx
>
> (b) By misappropriating or converting, to the prejudice of another, money, goods, or any other personal property received by the offender in trust, or on commission, or for administration, or under any other obligation involving the duty to make delivery of, or to return the same, even though such obligation be totally or partially guaranteed by a bond; or by denying having received such money, goods, or other property;"

After a careful and judicious review of the records of this case, We find that the court a quo committed a reversible error in convicting accused-appellant of the crime of Estafa.

First, in order that a person can be convicted under the aforecited provision, it must be proven that he/she has the obligation to deliver or return the same money, goods or personal property that he/she received.[10]

In this case, however, accused-appellant had no such obligation. By stating that the jewelry would be considered sold to the accused-appellant, should the latter wish not to return the same after a period of two months, private complainant, in effect, released accused-appellant from the obligation of returning the jewelry to her and allowed accused-appellant to acquire ownership of the said jewelry.

Second, the essence of Estafa under Art. 315 paragraph 1(b) is the appropriation or conversion of money or property received, to the prejudice of the owner. The words "convert" and "misappropriate" connote an act of using or disposing of another's property as if it were one's own, or of devoting it to a purpose or use different from that agreed upon. To misappropriate for one's own use includes not only conversion to one's personal advantage, but also every attempt to dispose of the property of another without a right.[11]

Since ownership of the jewelry involved herein has already passed on to the accused-appellant, she had every right to enjoy and dispose of the same, and her acts will not be considered misappropriation thereof, because one

could not very well fraudulently appropriate something that is his/her own.[12]

Third, the creation of a fiduciary relation between the parties, either in the form of a trust, commission or administration, is an essential element of the crime of Estafa by misappropriation or conversion.[13]

Here, ownership of the jewelry was already transferred to the accused-appellant, thus no fiduciary relationship was created. Absent this fiduciary relationship between accused-appellant and private complainant, which is an essential element of the crime of estafa by misappropriation or conversion, accused-appellant could not have committed estafa.[14]

Considering the foregoing, We acquit accused-appellant of the crime charged for failure of the prosecution to prove her guilt beyond reasonable doubt. Nevertheless, an acquittal in a criminal case does not bar continuation of the civil case connected therewith where: (1) the acquittal is based on reasonable doubt; (2) the decision contains a declaration that the liability of the accused is not criminal but only civil; or (3) the civil liability is not derived from or based on the criminal act of which the accused is acquitted.[15] In other words, an accused acquitted of a criminal charge may still be held in the same case civilly liable where the facts established by the evidence so warrant.[16] It is not even necessary that a separate civil action be instituted.[17] Sapiera vs. Court of Appeals,[18] citing the Code Commission, explained the rationale behind this rule, viz:

> "The old rule that the acquittal of the accused in a criminal case also releases him from civil liability is one of the most serious flaws in the Philippine legal system. It has given rise to numberless instances of miscarriage of justice, where the acquittal was due to a reasonable doubt in the mind of the court as to the guilt of the accused. The reasoning followed is that inasmuch as the civil responsibility is derived from the criminal offense, when the latter is not proved, civil liability cannot be demanded.
>
> This is one of those cases where confused thinking leads to unfortunate and deplorable consequences. Such reasoning fails to draw a clear line of demarcation between criminal liability and civil responsibility, and to determine the logical result of the distinction. The two liabilities are separate and distinct from each other. One affects the social order and the other private rights. One is for punishment or correction of the offender while the other is for reparation of damages suffered by file aggrieved party . . . . It is just and proper that for the purposes of imprisonment of or fine upon the accused, the offense should be proved beyond reasonable doubt. But the purpose of indemnifying the complaining party, why should the offense also be proved beyond reasonable doubt? Is not the invasion or violation of every private right to be proved only by preponderance of evidence? Is the right of the aggrieved person any less private because the wrongful act is also punishable by the criminal law?"

In this case, while We acquit accused-appellant of the crime charged, We, however, find her civilly liable to the private complainant. In this regard, the amount stated in private complainant's demand letter finds significance. As stated in the said letter, accused-appellant has "paid a total sum of One Thousand Pesos Only (P1,000.00) out of the principal obligation of Twenty Seven Thousand Seven Hundred and Forty Eight Pesos Only (P27,748.00)."[19] Hence, her outstanding indebtedness amounts to Twenty Six Thousand Seven Hundred Forty Eight Pesos (P26,748.00).

Meanwhile, We follow the guidelines mentioned in the case of Eastern Shipping Lines, Inc. vs. Court of Appeals[20] with regard to the rate of interest to be applied on the said indebtedness. The guidelines stated in the aforementioned case are as follows:

> 1. When the obligation is breached, and it consists in the payment of a sum of money, i.e., a loan or forbearance of money, the interest due should be that which may have been stipulated in writing. Furthermore, the interest due shall itself earn legal interest from the time it is judicially demanded. In the absence of stipulation, the rate of interest shall be 12% per annum to be computed from default, i.e., from judicial or

extrajudicial demand under and subject to the provisions of Article 1169 of the Civil Code.

2. When an obligation, not constituting a loan or forbearance of money, is breached, an interest on the amount of damages awarded may be imposed at the discretion of the court at the rate of 6% per annum. No interest, however, shall be adjudged on unliquidated claims or damages except when or until the demand can be established with reasonable certainty. Accordingly, where the demand is established with reasonable certainty, the interest shall begin to run from the time the claim is made judicially or extrajudicially (Art. 1169, Civil Code) but when such certainty cannot be so reasonably established at the time the demand is made, the interest shall begin to run only from the date the judgment of the court is made (at which time the quantification of damages may be deemed to have been reasonably ascertained). The actual base for the computation of legal interest shall, in any case, be on the amount finally adjudged.

3. When the judgment of the court awarding a sum of money becomes final and executory, the rate of legal interest, whether the case falls under paragraph 1 or paragraph 2, above, shall be 12% per annum from such finality until its satisfaction, this interim period being deemed to be by then an equivalent to a forbearance of credit.

WHEREFORE, premises considered, the assailed Decision is REVERSED and SET ASIDE. Accused-appellant Concepcion Cuya is hereby ACQUITTED of the crime charged on the ground of reasonable doubt. However, accused-appellant must pay private complainant Ma. Socorro Nieto the amount of Twenty Six Thousand Seven Hundred Forty Eight Pesos (P26,748.00) at 12% interest per annum from the time of extra-judicial demand on June 2, 1997 until the finality of this Decision, the sum of which, inclusive of interest, shall be subject thereafter to 12% per annum interest until the amount due is fully paid.

**SO ORDERED.**

Gonzales-Sison[*] (Acting Chairperson) and Baltazar-Padilla, JJ., concur.

---

[*] Vice Justice Noel G. Tijam, per Office Order No. 284-14-ABR dated June 16, 2014

[1] Hereinafter accused-appellant

[2] Original Records, pp. 261-277, penned by Presiding Judge Jocelyn Sundiang Dilig

[3] Original Records, p. 1

[4] Original Records, p. 40

[5] Rollo, pp. 87-89

[6] Original Records, pp. 280-281

[7] Original Records, p. 277

[8] TSN of Ma. Socorro Nieto, June 25, 1998, p. 4

[9] TSN of Concepcion Cuya, November 7, 2006, p. 7

[10] Yam vs. Malik, G.R. No. L-50550-52, October 31, 1979

[11] Luces vs. Damole, G.R. No. 150900, March 14, 2008

[12] Murao vs.People, G.R. No.141485, June 30, 2005

[13] Galvez vs. Court of Appeals, G.R. No. L-22760, November 29, 1971


*Bar review courses, mock exams and a study planner that keeps you on pace - batas.org*

[14] Kim vs. People, G.R. No. 84719, January 25, 1991

[15] Sadio vs. Regional Trial Court of Antique, G.R. No. 94143, September 24, 1991

[16] People vs. Tugbang, G.R. No. 76212, April 26, 1991

[17] Romero vs. People, G.R. No. 167546, July 17, 2009

[18] G.R. No. 128927, September 14, 1999

[19] Original Records, p. 137

[20] G.R. No. 97412, July 12, 1994

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.