

**THE PEOPLE OF THE PHILIPPINES, PLAINTIFF-APPELLANT, VS.
TARASA SOLIMAN, ET AL., ACCUSED. CENTRAL SURETY AND
INSURANCE CO., BONDSMEN-APPELLEE.**

G.R. No. L-25224. April 29, 1977

Ponente: MUÑOZ PALMA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/9d5c48ca1ddc/>

MUÑOZ PALMA, J.:

The PEOPLE represented by the Solicitor General appeals from an Order of the Court of First Instance of Iloilo, Branch VII, in Criminal Case No. 10233 of said court, dated August 4, 1965, wherein the forfeited bond of Central Surety and Insurance Co. in the amount of Sixty Thousand Pesos (P60,000.00) was reduced to 10% thereof or Six Thousand Pesos (P6,000.00).

The following incidents are not in dispute:

In Criminal Case No. 10233 of the Court of First Instance of Iloilo the Central Surety and Insurance Co. filed surety bonds of Five Thousand Pesos (P5,000.00) for the provisional liberty of each of twelve Muslims who were charged with unlawful possession of "Union blue-seal" cigarettes, all in all amounting to Sixty Thousand Pesos.[1]

On July 15, 1964 the case was called for arraignment and trial but all the accused failed to appear. As the record showed that the bonding company was duly notified since July 9, 1964, the trial judge in open court issued an order declaring all the bonds confiscated in favor of the government, ordering the arrest of the accused, and giving the bonding company 30 days within which to show cause why judgment should not be rendered against it and to produce the accused before the court.

Motions were filed by the surety company for the court to lift its order of confiscation and to grant it an extension of time within which to produce the bodies of the accused. These motions were denied.[2]

On March 25, 1965, the Provincial Fiscal Alfonso B. Baguio, filed a "Motion to render judgment against the bonds of all the accused." The bonding company moved to defer consideration of said motion, and the trial court granted the bonding company up to May 8, 1965 to produce all the accused, otherwise judgment would be rendered against it for the full amount of the bonds. Copy of this order was received by the bonding company on April 30, 1965. In view of the non-appearance of the accused on the above scheduled date, Judge Anacleto Bellosillo who was then presiding the court, in an Order dated June 8, 1965, rendered judgment against the Central Surety and Insurance Co., Iloilo branch, for it to pay the Republic of the Philippines the sum of Sixty Thousand Pesos (P60,000.00) representing the total amount of the bonds it had filed for the provisional release of the twelve accused.[3]

On July 10, 1965, a writ of execution was issued to satisfy the above-mentioned judgment. Having been served with copy of the writ, the bonding company through counsel filed a "Motion for partial remittance" alleging that it had exerted all efforts possible to bring the accused before the court, spending a lot of money in the process but

which all proved futile, and consequently it had no recourse but to invoke equity and justice for the court to exercise its discretion in reducing its liability to five percent of the amount thereof. This motion was vigorously opposed by the Provincial Fiscal principally on the grounds that the judgment against the bond of the surety company was already final and executory and that the accused had never been apprehended and brought before the court. After rejoinder and answer to rejoinder have been respectively filed by the parties, the trial court in an Order of August 4, 1965, acted favorably on the motion of the surety company and reduced the liability of the bonding company from Sixty Thousand to Six Thousand Pesos and ordered the issuance of another writ of execution for the said amount.[4]

The Provincial Fiscal in a motion filed on August 20, 1965, moved for a reconsideration of the Order of August 4, 1965, stressing that the judgment on the bond for Sixty Thousand Pesos rendered on July 8, 1965, was final and could no longer be altered or amended, and on the assumption that said judgment could still be altered, a partial remittance of said bond is unjustified inasmuch as the bonding company has not made a partial compliance of its responsibility and/or liability under the surety bonds filed in favor of the government. This motion of the Provincial Fiscal was opposed by the surety company, the latter invoking the court's inherent discretionary power to execute the bond in full or in part according to the circumstances of each case. In the meantime the surety company paid the sum of Six Thousand Pesos (P6,000.00) to the government.[5]

Reconsideration having been denied in an Order of September 3, 1965, the PEOPLE elevated the matter to this Court for review, claiming that there was grave abuse of discretion committed by the court a quo when it reduced the liability of the bonding company, notwithstanding finality of the court's judgment and non-compliance by the former of its obligation to produce the twelve accused for arraignment and trial.

Surety-appellee asserts however that it is well-settled in this jurisdiction that the order of confiscation of a bail bond for failure of the accused to appear "is conditional and interlocutory", and that the trial judge herein judiciously upheld the spirit of liberality towards bondsmen in the matter of reduction of liability on forfeited bonds.

Admittedly, there is merit to the surety's assertion that in the application of the provisions of Section 15, Rule 114 of the Rules of Court[6] on forfeiture of bail, this Court has countenanced a liberal attitude of allowing complete or partial exoneration of the surety's liability even after judgment had become final and a writ of execution had been issued depending on the circumstances of each case.[7]

The policy however is premised on the presence of two conditions, viz: 1) that the body of the accused is produced, and 2) that there is satisfactory explanation for the non-appearance of the accused when first required by the trial court to appear. Both conditions must concur.

Thus, in *People vs. Alamada*, 1951, this Court pronounced that in the forfeiture of bail bonds, courts are liberal in accepting the explanation of bondsmen, provided the body of the defendant is produced. The Court reduced the liability of the bondsmen even after final judgment and issuance of a writ of execution because the two conditions were fulfilled - surrender of the accused and satisfactory explanation for the latter's non-appearance at the time he was called to be present in court.[8]

In the situation before Us the twelve accused were never surrendered to the trial court thereby leaving the criminal case undisposed to the present. Verily, the surety failed in its obligation clearly defined in Section 2, Rule 114 of the Rules of Court thus:

"Sec. 2. Condition of the bail. - The condition of the bail is that the defendant shall answer the complaint or information in the court in which it is filed or to which it may be transferred for trial, and after conviction, if the case is appealed to the Court of First Instance upon application supported by an undertaking or bail, that he

will surrender himself in execution of such judgment as the appellate court may render, or that, in case the cause is to be tried anew or remanded for a new trial, he will appear in the court to which it may be remanded and submit himself to the orders and processes thereof."

Not having complied with the conditions of the bail bonds it filed for and in behalf of the twelve accused, the surety is not entitled to exoneration, not even a mitigation of its liability under said bonds. The Solicitor General therefore correctly asserts that grave error and grave abuse of discretion were committed by the trial court in the issuance of its order of August 4, 1965, and that of September 3, 1965, denying reconsideration thereof.[9]

Had the court a quo been mindful of this Court's decision in *People vs. Kasim, et al.*, L - 12624, May 25, 1960, We could have been spared this unnecessary litigation and avoided so much delay in exacting from the bonding company what is due the Government. In *Kasim* which is invoked by the Solicitor General in his brief, the question presented was whether or not the trial court had authority to relieve the bonding company of part of its liability even though the body of its principal had not been surrendered to the court, and this Tribunal through then Chief Justice Ricardo Paras explicitly ruled that "(I)t is the bonding company's responsibility to produce the accused before the court whenever required. Failure to so produce is undisputably a complete breach of the guaranty", and that in accordance with Section 15, Rule 110 of the Rules of Court (now Section 15, Rule 114), if the bonding company fails to produce the body of its principal, or to give a satisfactory reason for his non-production, a judgment shall be rendered against it on its bond. (underline supplied)

To paraphrase Justice Enrique M. Fernando in *Vallangca, et. al. vs. Hon. Crispin G. Ariola, et. al.*, the law on this matter is clear and explicit leaving no room for interpretation and it is the bounden duty of the courts to apply it as worded.[10]

In *Vallangca* there was no surrender of the person of the accused. The Court ruled that no error was committed by the lower court in sustaining the forfeiture of the bail bond of said accused, following its earlier Decision in *People vs. Franklin, accused, Asian Surety & Insurance Co. Inc.*, bondsman-appellant, wherein it was held that a forfeiture of a bail bond is justified by the failure to produce the accused in court by reason of her obtaining a Philippine Passport and leaving for the United States.[11]

Coming back to this appeal now before Us, not only did Central Surety & Insurance Co. fail to surrender all the twelve accused but it likewise failed to offer a satisfactory explanation for their non-appearance. The record shows that the only ground invoked by the surety for "partial remittance" of its liability was "that all possible means have already been diligently exercised to locate and apprehend said accused but all turned to be futile and in vain . . . and civilians were hired . . . but without result." (p. 18, Amended Record on Appeal) Such statements couched in general terms without adequate proof to substantiate them are inconclusive and unsatisfactory.[12] The surety was well aware when it filed the bail bonds in question that its principals were all Muslims, residents of Jolo; consequently, it should have exercised more than ordinary care and diligence in keeping close surveillance of the whereabouts of said accused to prevent the latter from jumping bail. This, the surety failed to do and it must suffer the consequences.

IN VIEW OF THE FOREGOING, We set aside the orders of the trial court dated August 4, 1965, and September 3, 1965 respectively, and order the execution of the bail bonds of Central Surety & Insurance Co. Inc. to the full amount of Sixty Thousand pesos (P60,000.00), in favor of the Republic of the Philippines pursuant to the judgment rendered by the trial court on June 8, 1965.

Let copy of this Decision be furnished the Insurance Commissioner for such action as may be called for in the premises.

So Ordered.

Teehankee, (Chairman), Makasiar, Antonio*, and Martin, JJ., concur.

[1] Violation of Sec. 137 (b) in relation to Sec. 174 of the National Internal Revenue Code, as amended.

[2] pp. 3 - 9, Amended Record on Appeal

[3] pp. 10 - 16, *ibid.*

[4] pp. 16 - 36, *ibid.*

[5] pp. 38 - 53, *ibid.*

[6] Same as Section 15 of former Rule 110 taken in turn from Section 76, General Orders No. 58.

[7] Moran on the Rules of Court, 1970 ed. Vol. 4, pp. 169-171, citing: *People v. Reyes*, 48 Phil. 139; *People v. Alamada*, L-2155, May 23, 1951; *People v. Segarino*, L-20138, Nov. 27, 1964; *People v. Padilla and Rizal Surety & Insurance, Co.* L-20076, October 30, 1964; *People v. Celestino*, L-19924, Dec. 23, 1964; *People v. Ornales and Alto Surety & Insurance Co.*, L-20078, Jan. 30, 1965; *People v. Familiar*, L-17124, June 30, 1966; *People v. del Carmen*, L-22082, Oct. 30, 1967; *People v. Cabanero*, L-22081, Jan. 17, 1968; *People v. Castillejos*, L-21961, April 22, 1968 and several others.

[8] 89 Phil. 1-2, citing the earlier case of *People vs. Calabon*, 53 Phil. 945. See also, among others, *People v. Sanchez, Luzon Surety Co.*, appellant, L-34222, Jan. 24, 1974 and *Summit Guaranty v. Republic, et al.*, L-44694, Dec. 29, 1976.

[9] p. 1, Brief of Solicitor General Antonio P. Barredo, now Associate Justice of this Court.

[10] L- 29226, September 28, 1973, 53 SCRA 139.

[11] L- 21507, June 7, 1971, 39 SCRA 363.

[12] *People vs. Ornales, et. al.*, L- 20078, January 30, 1965; 13 SCRA 133.

* Justice Felix Q. Antonio was designated to sit in the First Division.

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.