

BYRON CACDAC, PETITIONER, VS. ROBERTO MERCADO, RESPONDENT.

G.R. No. 242731. June 14, 2021

Ponente: LOPEZ, M., J.

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LOPEZ, M., J.:

Whether the accused is civilly liable despite acquittal from the criminal charge is the main issue in this petition for review on certiorari[1] under Rule 45 of the Rules of Court assailing the Court of Appeals' (CA) Decision dated April 20, 2018 in CA-G.R. CV No. 109110.[2]

ANTECEDENTS

On December 8, 2004, Roberto Mercado (Mercado), a gasoline station owner and fuel retailer, through his employee Manolo Rasco (Rasco), delivered to Byron Express Bus Company (Byron Express) 10,000 liters of diesel fuel worth P235,000.00. On the same day, Byron Express' clerk Jaivi Mar Juson (Juson) received the fuel and executed a trust receipt with the duty to remit the proceeds on December 15, 2004, to wit:

I, JAIVI MAR JUSON, as trustee, Filipino, of legal age, and a resident of A.B. FERNANDOS EAST DAGUPAN CITY hereby received in trust the above-described merchandise from ROBERTO MERCADO as trustor under the following terms and conditions.

1) I hereby agree to hold in trust the above properties of the trustor with the right to sell for cash for trustor's account and to hand the proceeds thereof to the trustor less commission at the sum of percent on or before the due date. I shall forfeit the said commission upon my failure to remit on due date.

2) Should there be unsold merchandize on due date[,], trustor may at his option extend this agreement to another due date under the same terms and conditions[.].

3) Before due date[,], the trustor may cancel this agreement and take possession of the merchandize or proceeds that may then be found.

4) In case of my failure to remit on due date without prejudice to my criminal and civil liabilities under Philippine Laws[,], I shall be liable for the following[.]:

A) 24 percent per annum as interest on the unremitted amount/merchandize

B) 10 percent collection fee

C) 25 percent as attorney's fees but not less than P500.00

D) 25 percent as liquidated damages but not less than P1,000.00[3]

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On the due date, Juson reneged on his obligation to Mercado despite the latter's demand. Aggrieved, Mercado filed a complaint for estafa, involving unfaithfulness or abuse of confidence, under Article 315 paragraph 1 (b) of the Revised Penal Code (RPC) in relation to the Trust Receipts Law[4] against Juson and petitioner Byron Cacdac (Cacdac), the alleged owner of Byron Express. The public prosecutor found probable cause and instituted the corresponding information before the Regional Trial Court (RTC),[5] thus:

The undersigned 1[st] City Prosecutor accuses BYRON CACDAC and JAIVI MAR JUSON of the crime of ESTAFA, committed as follows:

That on or about tile 8[th] day of December, 2004, x x x, the above-named accused, received in trust under Trust Receipt 10,000 liters of diesel fuel worth P235,000.00, with the obligation to pay the same [on] December 15, 2004, but said accused once in possession of the same and with intent to defraud, did then and there willfully, unlawfully and feloniously, fail to pay the same despite several demands, to the damage and prejudice of the herein complainant in the aforesaid amount.

Contrary to Article 315 par. 1(b) of the Revised Penal Code in relation to P.D. 115.

At the trial, Mercado testified that Cacdac is the owner of Byron Express but did not present any evidence to support this claim. Moreover, Mercado claimed that Cacdac ordered the fuel while Juson merely received the delivery on behalf of Byron Express.[6] Upon inquiry by the RTC, Mercado admitted that he sold the fuel to Byron Express but opted to issue a trust receipt instead of a charge invoice so he can file a complaint for estafa in case of non-payment of the purchase price.[7] The prosecution then submitted documents consisting of the Trust Receipt Agreement, demand letter, and sworn statements of Mercado and Rasco.

After the prosecution rested its case, Cacdac moved for a demurrer to evidence without leave of court and argued that he was not criminally and civilly liable.[8] Cacdac maintained that he was not a party to the trust receipt agreement, the transaction was a sale, and the demand letter was solely addressed to Juson.[9]

On July 28, 2015, the RTC dismissed the criminal case against Cacdac but held him liable to pay Mercado the amount of P235,000.00 with interest computed from the date of delivery of the fuel. The RTC exonerated Juson from any liability, considering that he merely acted as an agent,[10] viz.:

It is therefore apparent that the transaction involved in this case is one of sale. Therefore, there is no estafa to talk about. The defense is correct that if any liability is attached to the vendees, it must only be civil in character.

Moreover, the Trust Receipt Agreement. named one JAIVI MAR JUSON as the only trustee whose signature was likewise affixed. There was no name and signature of Byron Cacdac.

The evidence presented did not sufficiently establish the participation of Byron Cacdac in the questioned transaction. Thus, even assuming without admitting that Jaivi Mar Juson committed Estafa, accused Byron Cacdac could not be held liable thereunder especially that the Information contains no allegation of conspiracy between the two (2) accused.

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When the criminal action for estafa based on Trust Receipt Agreement had been instituted, the civil action was likewise considered to have been instituted there being no reservation made nor a separate civil action for collection had been filed. A preponderance of evidence was merely required for the purpose of proving the civil liability unlike the quantum of proof required in criminal cases which is proof beyond reasonable doubt.

The Trust Receipt Agreement which has been signed by Jaivi Mar Juson, the receiving clerk of Byron Express Bus Company, is more than enough evidence to prove that there was a delivery made but remains unpaid, and for that reason, a case had been filed. Accused Jaivi Mar Juson acted on behalf of his principal. x x x, the purported Trust Receipt Agreement partakes of the nature of a pure delivery receipt. The alleged petroleum products delivered were supposedly sold to the bus company for the use of its buses, and were not "received in trust, or on commission, or for administration, or any other obligation involving the duty to make delivery of, or to return the same".

WHEREFORE, in view of the foregoing considerations, the Demurrer to Evidence is hereby GRANTED. This

case is ordered DISMISSED. In view however of the satisfaction of the required quantum of proof in civil cases which is mere preponderance of evidence, accused Byron Cacdac is hereby ordered to pay the delivered ten thousand (10,000) liters of diesel fuel worth Two Hundred Thirty-Five Thousand Pesos (Php 235,000.00) by the private complainant, Roberto R. Mercado, with six percent (6%) per annum to be computed from the date of delivery on December 8, 2004 until the full amount has been fully paid. The other accused, Jaivi Mar Juson, is hereby EXONERATED from whatever liability having been acted in behalf of his principal.

SO ORDERED.[11] (Emphases supplied)

Dissatisfied, Cacdac moved for reconsideration.[12] On April 19, 2017, the RTC denied the motion and clarified that the criminal action against Cacdac was dismissed because his liability was only civil in nature being the owner of Byron Express, the employer of Juson, and the real buyer of the diesel fuel,[13] thus:

Found by the Court as discussed in the questioned resolution is that accused Byron Cacdac is the owner of Byron Express Bus Company. That it was accused Byron Cacdac who ordered and purchased on credit diesel fuel from the private complainant Roberto R. Mercado for use of his buses. The other accused, Jaivi Mar Juson, merely acted in behalf of his employer – Byron Cacdac, signing the Trust Receipt Agreement as a receiving officer of the said bus company. Such being the case, accused Byron Cacdac, being the employer of other accused Jaivi Mar Juson and the real buyer of the diesel fuel, correctly held civilly liable to pay the diesel fuel sold on credit to him.

Likewise found by the Court was that the offense of estafa does not exist because the transaction between the parties is one of sale. Consequently, the jurisprudence barring the imposition of civil liability in case of acquittal does not apply.

The Court would like to clarify that accused was not actually acquitted of the offense of estafa. The charge of estafa filed against the two (2) accused was dismissed for the reason that accused' obligation was purely civil in character, nothing more, nothing less.

WHEREFORE, accused's (sic) Byron Cacdac motion for reconsideration is DENIED.

SO ORDERED. (Emphases supplied)

Undaunted, Cacdac elevated the case to the CA docketed as CA-G.R. CV No. 109110.[14] On April 20, 2018, the CA dismissed the appeal and affirmed the RTC's findings as to Cacdac's civil liability with the modification that the interest must be reckoned from the date the obligation became due and demandable,[15] to wit:

xxx The testimonial and documentary evidence submitted by the prosecution are sufficient to render judgment on the merits of Mercado's claim. xxx

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The foregoing testimony established that Mercado had previous transactions with Cacdac and delivered fuel products to the latter's bus company since July 2004. Mercado had since known Cacdac to be the owner of Byron Express Bus Company and was identified as the one who placed the order and purchased on credit the 10,000-liter diesel fuel. Regardless of the lack of direct documentary proof that Cacdac received the 10,000-liter diesel fuel, Manolo Rasco's testimony was sufficient proof to establish the delivery of the fuel products on 08 December 2004 to Cacdac's bus company through his co-accused Jaivi Mar Juson. Significantly, the delivery was made pursuant to a purchase order placed by Cacdac.

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WHEREFORE, the appeal is DENIED. The appealed resolution and order of 28 July 2015 and 19 April 2017, respectively, are consequently AFFIRMED with MODIFICATION. Appellant Byron Cacdac is ordered to pay

appellee Roberto Mercado the sum of P235,000.00 which shall bear legal interest of 6% from 15 December 2004 (the date the obligation was due and demandable) until finality of the judgment. Then, the total amount due shall earn interest of 6% from finality until they be fully paid.

IT IS SO ORDERED. (Emphases supplied)

Cacdac sought reconsideration[16] but was denied[17]. Hence, this recourse.

Cacdac asserts that he was not afforded the chance to present counter evidence on his civil liability after his demurrer on the criminal aspect of the case was granted. Likewise, Cacdac argues that he is a stranger to the transaction and did not authorize Juson to act on his behalf. The trust receipt and the demand letter indicated only the names of Juson and Byron Express. Finally, Cacdac denies ownership of Byron Express, which is a distinct legal entity.[18]

THE COURT'S RULING

The accused was not deprived of due process when the trial court rendered judgment on the civil aspect of the case.

A day in court is the touchstone of the right to due process in criminal justice. The accused must be given every opportunity to present pieces of evidence to support his case or to refute the prosecution's evidence.[19] Here, Cacdac filed a demurrer to evidence, which partakes of the nature of a motion to dismiss the case for failure of the prosecution to prove his guilt beyond reasonable doubt. The demurrer to evidence in criminal cases is governed by Rule 119, Section 23 of the Revised Rules of Criminal Procedure, to wit:

RULE 119

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SECTION 23. Demurrer to Evidence. — After the prosecution rests its case, the court may dismiss the action on the ground of insufficiency of evidence (1) on its own initiative after giving the prosecution the opportunity to be heard or (2) upon demurrer to evidence filed by the accused with or without leave of court.

If the court denies the demurrer to evidence filed with leave of court, the accused may adduce evidence in his defense. When the demurrer to evidence is filed without leave of court, the accused waives the right to present evidence and submits the case for judgment on the basis of the evidence for the prosecution.

The motion for leave of court to file demurrer to evidence shall specifically state its grounds and shall be filed within a non-extendible period of five (5) days after the prosecution rests its case. The prosecution may oppose the motion within a non-extendible period of five (5) days from its receipt.

If leave of comfort is granted, the accused shall file the demurrer to evidence within a non-extendible period of ten (10) days from notice. The prosecution may oppose the demurrer to evidence within similar period from its receipt.

The order denying the motion for leave of court to file demurrer to evidence or the demurrer itself shall not be reviewable by appeal or by certiorari before judgment.

xxxx (Emphasis supplied)

Particularly, a demurrer to evidence may be filed with or without leave of court, each having different effects on the right of the accused to present evidence. Under the rules, it is explicit that if the court denies the demurrer filed with leave of court, the accused may still adduce counter evidence on the criminal and civil aspects of the

case. Jurisprudence likewise explains that if the court grants the demurrer filed with leave of court resulting in the dismissal of the criminal action, the accused may still adduce evidence on the civil aspect of the case. In *Salazar v. People*,^[20] the Court ruled that if the trial court issues an order or renders judgment not only granting the demurrer but also on the civil liability of the accused, the decision on the civil aspect of the case would be a nullity for the reason that the constitutional right of the accused to due process is violated. In *Hun Hyung Park v. Eung Won Choi*,^[21] the Court held that a finding of sufficiency of evidence as to the civil aspect, where a demurrer to evidence is filed with leave of court, does not authorize the trial court to terminate the proceedings and immediately render a decision. In *Dayap v. Sendiong*^[22] the Court discussed further that the trial court must render a partial judgment granting the demurrer and continue the trial on the civil aspect of the case, thus:

Thus, if demurrer is granted and the accused is acquitted by the court, the accused has the right to adduce evidence on the civil aspect of the case unless the court also declares that the act or omission from which the civil liability may arise did not exist. This is because when the accused files a demurrer to evidence, he has not yet adduced evidence both on the criminal and civil aspects of the case. The only evidence on record is the evidence for the prosecution. What the trial court should do is issue an order or partial judgment granting the demurrer to evidence and acquitting the accused, and set the case for continuation of trial for the accused to adduce evidence on the civil aspect of the case and for the private complainant to adduce evidence by way of rebuttal. Thereafter, the court shall render judgment on the civil aspect of the case. (Emphasis supplied)

On the other hand, when a demurrer to evidence is filed without leave of court, the accused waives the right to present evidence and submits the whole case based on the evidence for the prosecution. The trial court is called upon to decide the criminal case including its civil aspect.^[23] The remedy of demurrer to evidence now carries a caveat to prevent it from being used to delay the proceedings.^[24]

As such, Cacdac was not deprived of due process when the trial court rendered judgment on his civil liability. Applying the case law and the rules, Cacdac is deemed to have waived the right to present evidence when he filed a demurrer without leave of court. The trial court has no alternative but to decide the entire case upon the prosecution evidence alone. Moreover, the waiver is valid and voluntary, absent any proof that the defense precipitately filed the demurrer without the accused having full comprehension of its legal consequences.^[25]

There is no preponderant evidence to establish the civil liability of the accused.

Every person criminally liable for a felony is also civilly liable.^[26] Yet, the dismissal of the criminal action does not carry with it the extinction of the civil liability where: (a) the acquittal is based on reasonable doubt as only preponderance of evidence is required; (b) the court declares that the liability of the accused is only civil; and (c) the civil liability of the accused does not arise from or is not based upon the crime of which the accused is acquitted.^[27] Notably the quantum of proof to establish civil liability is preponderance of evidence, which is defined as the weight, credit, and value of the aggregate evidence on either side and is usually considered to be synonymous with the term "greater weight of the evidence" or "greater weight of the credible evidence." It is evidence that is more convincing to the court as worthy of belief than that which is offered in opposition thereto.^[28]

In this case, both the CA and the RTC held that Cacdac's liability is purely civil being the owner of the bus company, the employer of Juson, and the real buyer of the diesel fuel. Nevertheless, the required quantum of proof was not met to sustain these findings. Foremost, there is no preponderant evidence that it was Cacdac who ordered the diesel fuel. Mercado did not submit any purchase order as part of his supporting documents. The RTC even observed that Mercado failed to prove Cacdac's participation in the questioned transaction. Similarly, there is no proof that Juson merely acted as an agent of Cacdac. The trust receipt agreement did not bear Cacdac's name or

signature and is silent on what capacity Juson received the fuel. The language of the agreement, however, is clear that it was Juson who expressly bound himself to remit the proceeds from the sale of the fuel and to be liable in case he reneged on his obligation. More telling is that Mercado's demand letter is solely addressed to Juson and not Cacdac. On this point, we reiterate that the parties must rely on the strength of their evidence and not upon the weakness of the defense offered by their opponent.[29] More importantly, Cacdac denies ownership of Byron Express, which is a distinct legal entity. At the trial, Mercado testified that Cacdac is the owner of Byron Express but did not present any evidence to support his claim. Verily, the burden of proof rests upon the party who asserts the affirmative of an issue and not upon he who denies it.[30] The nature of things is that one who denies a fact cannot produce any proof of it.[31] Hence, Cacdac cannot generally be held liable for corporate obligations. It is settled that a juridical entity has a personality separate and distinct from the officers and the persons composing it.[32]

FOR THESE REASONS, the petition is GRANTED. The Court of Appeals' Decision dated April 20, 2018 in CA-G.R. CV No. 109110 is REVERSED. The civil liability imposed against Byron Cacdac is DELETED.

SO ORDERED.

Perlas-Bernabe, (Chairperson), Lazaro-Javier, Rosario, and J. Lopez,[*] JJ., concur.

[*] Designated as additional Member per Special Order No. 2822 dated April 7, 2021.

[1]Rollo, pp. 16-34

[2]Id. at 36-48. Penned by Associate Justice Apolinario D. Bruselas, Jr., with the concurrence of Associate Justices Socorro B. Inting and Rafael Antonio M. Santos.

[3]Id. at 95.

[4]Presidential Decree No. 115 (1973).

[5]Rollo, pp. 57-58.

[6]TSN dated June 6, 2013, pp. 3-10.

[7]Id. at 21-23.

[8]Records, pp. 118-124.

[9]Id. at 120-121.

[10]Id. at 126-131.

[11]Id. at 128-131.

[12]Id. at 132-139.

[13]Id. at 149-150.

[14]CA rollo, pp. 33-44.

[15]Id. at 76-88.

[16]Rollo, p. 86.

[17]Id. at 49.

[18]Id. at 6-35.

[19]Valencia v. Sandiganbayan, 510 Phil. 70-91 (2005)

[20]458 Phil. 504, 517 (2003).

[21]553 Phil. 96, 99 (2007)

[22]597 Phil. 127, 141 (2009).

[23]Salazar v. People supra note 20; and Hun Hyung park v. Eun Won Choi, supra note 21.

[24]Cabador v. People, 617 Phil. 974, 978 (2009).

[25]Rivera v. People, 499 Phil. 80, 91 (2005)

[26]Revised Penal Code, Article 100.

[27]Dayap v. Sendiong, supra note 22 at 141, citing Hun Hyung park v. Eun Won Choi, supra note 21.

[28]Raymundo v. Lunaria 590 Phil. 546, 552-553 (2009), citing Ong v. Yap, 492 Phil. 188 (2005).

[29]Dantis v. Maghinang, Jr., 708 Phil 575, 588 (2013), citing Jison vs. CA, 350 Phil. 138-184 (2008).

[30]Supreme Transliner Inc. v. CA, 421 Phil 692, 698 (2001)

[31]Sambalilo v. Sps. Llorenas, 811 Phil 352, 568 (2017), citing C.I.C.M Mission Seminaries School of Theology, Inc. v. Perez, 803 Phil. 596 (2017).

[32]Bautista v. Auto Plus Traders, Incorporated, 583 Phil. 218, 225 (2008), citing Construction & Development Corporation of the Philippines v. Cuenca, 504 Phil. 259 (2005).

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