

DARIO CABIGAS Y CACHO, petitioner, vs. PEOPLE OF THE PHILIPPINES, respondent.

G.R. No. 67472. July 03, 1987

Ponente: PARAS, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-67472/>

PARAS, J.:

Under separate informations both dated September 20, 1982, the Office of the Tanodbayan charges Dario Cabigas y Cacho and Benedicto Reynes y Lopez on two (2) counts, with the crime of Falsification of Official Documents allegedly committed in the following manner:

(1) Criminal Case No. 6529

"That on or about March 29, 1982, in the Municipality of Makati, Metro Manila, and within the jurisdiction of this Honorable Court, accused Dario Cabigas y Cacho and Benedicto Reynes y Lopez, both public officers being then employed as Securities Custodian and Securities Receiving Clerk, respectively, of the Land Bank of the Philippines, Makati Branch, a government-owned and/or controlled corporation, conspiring together, taking advantage of their official position and committing the crime herein charged in relation to their Office, did then and there willfully, unlawfully and feloniously falsify x x x Securities Delivery Receipt dated March 9, 1982 x x x evidencing, among others, receipt by them in their official capacity of Treasury Bills bearing Serial No. A-000064 up to A-000082 of the 795[th] series, by then and there making alterations and/or intercalations thereon to the effect that only treasury bills bearing SN-A-000064 to A-000076 were received by them on March 9, 1982, for the purpose of hiding or concealing the loss while in their custody of six (6) treasury bills bearing SN-A-000077 to A-000082 of the 795[th], series, thereby changing the meaning of said Securities Delivery Receipt."

(2) Criminal Case No. 6938

"That on or about March 30, 1982 in the Municipality of Makati, Metro Manila, and within the jurisdiction of this Honorable Court, accused Dario Cabigas y Cacho and Benedicto Reynes y Lopez, both public officers, being then employed as Securities Custodian and Securities Receiving Clerk, respectively, of the Land Bank of the Philippines, Makati Branch, a government-owned and/or controlled corporation, conspiring together, and taking advantage of their official positions and committing the crime herein charged in relation to their office, did then and there willfully, unlawfully and feloniously falsify the Daily Report of Securities/Documents under custody dated March 30, 1982, which is an official document evidencing the securities transactions and/or operations of the Makati Branch of the aforementioned bank, and which it was their official duty to prepare and submit to their superiors, by then and there indicating in said document, for the purpose of hiding the loss or disappearance while in their custody of six (6) treasury bills of the 795[th] series, with face value of P500,000.00 each, that the beginning balance of securities under their custody as to volume was 1,533 pieces, when, the ending balance as to volume in the previous day's report was 1,539 pieces and that the beginning balance as to face value in the previous day's report was P610,095,000.00 and thereafter falsely stating in the footnote of the same document that the reduction was due to 'Adjustment on Erroneous Entry (incoming) dated 3/09/82' the truth being that the six (6) pieces of treasury bills with aggregate face value of P3,000,000.00 were

not erroneously entered in either the Securities Delivery Receipt or the Daily Report of Securities/Documents under Custody, both dated March 9, 1982, but were discovered to have been missing after an inventory conducted by accused on March 20, 1982, thereby making an untruthful statement in a narration of facts in violation of par. 4 of Article 171 of the Revised Penal Code."

After arraignment and trial, the Sandiganbayan rendered its decision in both cases, the dispositive portion of which reads as follows:

"WHEREFORE, in view of the foregoing, judgment is hereby rendered:

"1. In Criminal Case No. 6529 ACQUITTING the accused Dario Cabigas y Cacho and Benedicto Reynes y Lopez, with costs de officio and ordering their bail bonds in the said case cancelled.

"2. In Criminal Case No. 6938:

"a) Finding the accused Dario Cabigas y Cacho GUILTY beyond reasonable doubt as principal of the crime of Falsification of a Public or Official Document defined and penalized under Article 171, paragraph No. 6 of the Revised Penal Code without any mitigating or aggravating circumstances; and applying the Indeterminate Sentence Law, hereby sentencing him to an indeterminate penalty ranging from TWO (2) YEARS, FOUR (4) MONTHS and ONE (1) DAY of prision correccional, as minimum, to EIGHT (8) YEARS and ONE (1) DAY of prision mayor, as maximum, to pay a fine of P2,000.00 without subsidiary imprisonment in case of insolvency, and to pay the costs.

"b) ACQUITTING accused Benedicto Reynes y Lopes, with costs de officio; an ordering his bail bond cancelled.

"SO ORDERED."

The instant petition is an appeal, interposed by herein petitioner Dario Cabigas y Cacho from the foregoing decision in Criminal Case No. 6938.

The following pertinent facts are not disputed: Petitioner Dario Cabigas is the Securities Custodian of the Securities Section of the Land Bank of the Philippines assigned to its branch at Makati, Metro Manila. Assisting him in his work is Benedicto Reynes, the securities receiving clerk. The Fund Management Department (FMD) of the Land Bank of the Philippines is engaged in money market and securities trading transactions. The securities which are in the form of treasury notes and bills are in turn deposited with the Securities Section of the Land Bank of the Philippines, Makati Branch.

On March 9, 1982, the Fund Management Department, delivered to the Securities Section, Makati Branch of the Land Bank of the Philippines, for safekeeping, 112 pieces of treasury notes and treasury bills worth P46,000,000.00 and for which a copy of the Securities Delivery Receipt (SDR) Exh. D, was issued to the Fund Management Dept. while the original of the same was retained by the Securities Section. Included in the securities received on March 9, 1982 are 19 pieces of treasury bills with Serial Nos. A-000064 to A-000082, 795[th] series, in the denomination of P500,000.00 each, or a total amount of P.9,500,000.00. After receiving the securities, the accused would prepare the Daily Report on Securities/Documents Under Custody (DR SDUC) evidencing the securities transactions and operations of the Makati Branch of the Land Bank of the Philippines. This has been the routine procedure being adopted by the accused in the performance of his duty as a Securities Custodian.

On March 29, 1982, in the course of their inventory of treasury notes and bills deposited with them, Cabigas and Reynes discovered the loss of six (6) treasury bills of the 795[th] series with a total value of P3,000,000.00. Upon verification that Securities Delivery Receipt (SDR) dated March 9, 1982, Exhibit C, was the source document of the missing securities which were delivered to them for safekeeping, accused Reynes crossed out with a red ink in

the said document the last two digits "82" and the addition after them of the figure "76" on the serial numbers A-000064 to A-000082 of the 19 treasury bills of the 795[th] series with a total maturity value of P9,500,000.00. Then at the bottom of the SDR, Cabigas placed the notation "For adjustment" and below it the date "3/29/82." Then upon Cabigas' suggestion, Reynes reported the incident to their branch manager, Aurora Pigram. When the DR SDUC for March 29, 1982 was prepared, the number of treasury bills of the 795[th] series stood at 1,539 pieces with a total face value of P610,095,000.00.

The following day, Reynes prepared a draft report for March 30, 1982 by carrying forward the ending balance of the treasury bills of the 795[th] series reflected in the DR SDUC dated March 29, 1982. However, instead of following the draft prepared by Reynes, Cabigas prepared his own report — DR SDUC (Exh. "G") dated March 30, 1982 wherein he indicated 1,533 pieces of treasury bills of the 795[th] series with a total amount of P607,095,000.00 which the latter claimed to be the number of securities of the 795[th] series in his possession at the time of the preparation of said report. At the bottom of DR SDUC (Exh. "G") Cabigas placed the notation "Adjustment on Erroneous Entry (incoming) dated March 9, 1982" as legend of the asterisk (*) sign which appears after the figure "1,533."

On May 20, 1982, a certain Rosie Chua was found to be authenticating with the Central Bank of the Philippines a treasury bill of the 795[th] series with Serial No. A-000082 in the amount of P500,000.00. Upon investigation by NBI agents, it was discovered that the Land Bank of the Philippines Makati Branch Manager, Aurora Pigram, was the one who negotiated the said treasury bill with the Gainsbo Commodities. Further investigation revealed that the five (5) missing treasury bills with serial numbers A-000077 to A-000081 were negotiated by Pigram with the Home Savings Bank to secure a loan. The Land Bank immediately sought the assistance of the NBI in investigating the case. On May 24, 1982, Cabigas and Reynes were investigated by NBI agents. After the investigation, Cabigas and Reynes were arrested for having allegedly conspired together in falsifying the Securities Delivery Receipt (SOR) dated March 9, 1982 (Exh. "C") and the Daily Report on Securities/Documents under custody (DR SDUC) Exh. G dated March 30, 1982 and for which the corresponding informations were filed with the Sandiganbayan. Both accused were acquitted in Criminal Case No. 6529. However, accused Dario Cabigas y Cacho was convicted in Criminal Case No. 6938, while his co-accused was acquitted therein.

In convicting accused Dario Cabigas y Cacho, the Sandiganbayan stated in its now assailed Decision that

"In the case of Exhibit "G", the Daily Report on Securities/Documents Under Custody (DR SDUC) for March 30, 1982, the alleged falsification consists of the following entries (figures) pertaining to treasury bills: '1,533', '607,095,000.00', '1,533 and 607,095,000.00' marked on the document as Exhibit G-1, and the legend of the asterisk (*) sign at the bottom portion reading, 'Adjustment on erroneous entry (incoming) dated 3/09/82' marked as Exhibit G-2. The numbers '1,533' and '607,095,000.00' represent the volume and the total face/maturity value, respectively, of the treasury bills supposedly in the custody of the Securities Section as of March 30, 1982. Those entries were falsifications, the prosecution maintains, because the correct number of treasury bills deposited with the Securities Section as of that date was 1,539 valued at P610,095,000.00; that the said figures were altered to '1,533 and 607,095,000.00,' respectively, to conceal the loss or disappearance of 6 treasury bills worth P3,000,000.00, and that the footnote at the bottom portion of the document (Exh. G-2) was written to attribute the reduction in the number of treasury bills from '1,539' to '1,533' to mistake or error in the entries in the Securities Delivery Receipt of March 9, 1982 (Exh. C).

"The discrepancy in the figures is indeed apparent. In the DR SDUC for March 29, 1982 (Exh. F), the ending balance on the number of treasury bills at the close of office hours on that day was 1,539 pieces with a total face/maturity value of P610,095,000.00 (Exh. F-1). Accordingly, the beginning balance on the number of the same treasury bills on the following day, March 30, 1982, must also be 1,539 pieces with a total face/maturity value of P610,095,000.00. But as it was made to appear in the DR SDUC for March 30, 1982 (Exhs. G and

G-1), the beginning and ending balances on the number and value of treasury bills for that date were 1,533 pieces and P607,095,000.00 maturity value.

"The question now is, who caused the alterations and what was the purpose behind them."

"x x x x x x x x x x"

"By changing the original figures in the draft of the DR SDUC from '1,539' and '610' to '1,533' and '607' respectively, and causing Reynes to type the final copy of the DR SDUC on the basis of the corrected draft Cabigas caused the document to show that the treasury bills in their custody as of March 30, 1982 were 1,533 pieces with a total face/maturity value of P607,095,000.00. By placing, likewise, an asterisk (*) sign after the figure '1,533' and writing the words 'Adjustment on erroneous entry (incoming) dated 3/09/82' as legend of the asterisk (*) sign, Cabigas caused to make it appear that the discrepancy of 6 treasury bills valued at P3,000,000.00 was due to error in the entries in the Securities Delivery Receipt of March 9, 1982 (Exh. C). Considering that the said SDR of March 9, 1982 (Exh. C) did not contain any error but reflected the number of securities received by them on that day, it is obvious that Cabigas made the alterations in Exhibit G and the misleading footnote (Exh. G-2) in order to suppress, hide or conceal the fact that the 6 treasury bills comprising the discrepancy were lost while in their custody.

"The alterations amounted to falsification of Exhibit G, a public or official document, under paragraph No. 4, Article 171, of the Revised Penal Code, by making untruthful statements in a narration of facts. As Securities Custodian, Cabigas was under obligation to disclose in the said document the correct number and total maturity value of the securities under his official custody as of March 30, 1982."

It is a settled doctrine that in falsification by an employee under par. No. 4 of Article 171, which reads — "by making untruthful statements in a narration of facts," — the following elements must concur —

(a)

That the offender makes in a document untruthful statements in a narration of facts;

(b)

That he has a legal obligation to disclose the truth of the facts narrated by him;

(c)

That the facts narrated by the offender are absolutely false; and

(d)

That the perversion of truth in the narration of facts was made with the wrongful intent of injuring a third person.

Herein petitioner contends that the foregoing elements are not present in the case at bar. The correction of the figure from 1,539 to 1,533 pieces to conform to the actual number of treasury under custody is not falsification because it was made to speak the truth (US vs. Mateo, 25 Phil. 324). The placing of an asterisk (*) sign after the figure "1,533" and writing the words, "Adjustment on erroneous entry (incoming) dated 3/09/82" as legend of the asterisk sign, contrary to the ruling of the respondent court, was not effected to hide or conceal the fact that the missing 6 treasury bills were lost. It would be far more difficult to detect or discover the loss if there was no asterisk or footnote in the DR SDUC, Exh. G. In fact, the evidence discloses that immediately upon discovery of the loss on March 29, 1982, petitioner reported the matter to his immediate supervisor, Estela L. Espiritu and Branch Manager of the Securities Section, Aurora Pigram. This shows good faith and lack of motive on the part of petitioner to conceal the said loss.

Petitioner further argues that the Daily Report on Securities/Documents under Custody (DR SDUC) is a form purely devised and adopted by him. This form was never required, neither was it introduced nor prescribed by the Land Bank. Petitioner, therefore, was not under "legal obligation" to disclose in the DR SDUC or SOR, the correct number and total maturity value of the securities under their official custody as of a given date. It is purely optional on the part of petitioner to use the said forms.

The Honorable Solicitor General recommends that the accused be acquitted because —

"There is nothing to show the DR SDUC dated March 30, 1982, Exh. G, for the alleged falsification of which petitioner was convicted in Criminal Case No. 6938 is a form the submission of which was or is required by law. In the petition for review, petitioner points out that as testified by him the form was not an official form of the Land Bank. The form was his own initiative adopted 'for our own convenience and also for reference purposes.' Petitioner therefore, was not under legal obligation to disclose or reveal the truth by said DR SDUC. In the absence of such obligation and of the alleged wrongful intent, defendant cannot be legally convicted of the crime of falsification of public document with which he is charged. (People vs. Quasha, 93 Phil. 333)."

WHEREFORE, on ground of reasonable doubt, the decision of the Sandiganbayan in Criminal Case No. 6938 is hereby REVERSED and another one rendered ACQUITTING the petitioner, Dario Cabigas y Cacho.

Cost de oficio.

SO ORDERED.

Teehankee, C.J., Yap, Fernan, Narvasa, Melencio-Herrera, Gutierrez, Jr., Cruz, Feliciano, Gancayco, Padilla, Bidin, Sarmiento, and Cortes, JJ., concur.

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.