

ANACLETO BERNABE, LORENZO CULANG, MARCOS ESPEJO AND SOTERO ESCANDOR, PETITIONERS, VS. SANDIGANBAYAN, RESPONDENT.

G.R. No. 76141. April 15, 1988

Ponente: PARAS, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-76141/>

PARAS, J.:

The crime with which the petitioners were charged and convicted in these consolidated cases is violation of Sec. 3, par. (c) of Rep. Act No. 3019, otherwise known as the Anti-Graft and Corrupt Practices Act, quoted hereunder:

“Section 2. Corrupt Practices of Public Officers. - In addition to acts or omissions already penalized by existing law, the following shall constitute corrupt practices of any public officer and are hereby declared to be unlawful:

“(a) x x x

“(b) x x x

“(c) x x x

“(d) x x x

“(e) Causing any undue injury to any party including the Government, or giving any private party any unwarranted benefit, advantage or preference in the discharge of his official, administrative, or judicial functions through manifest partiality, evident bad faith or gross inexcusable negligence. x x x.” (Underscoring supplied).

Thus, the information in the said cases charged the petitioners PNR officials/employees including PNR General Manager Juan de Castro (who was acquitted) and the petitioner supplier (Leticia Baltazar) of having willfully and feloniously conspired together to give unwarranted benefit, advantage or preference to Charlstan Trading by awarding to the latter the right to supply the PNR with Esab welding rods thru negotiated purchase, by making it appear that said supplier was the sole distributor of all Esab products, although such was not the fact at the time, and by making it appear that the quantity of welding rods so delivered by the supplier to the PNR consisted of 360 kilograms at a total cost of P43,776.00, when what was actually delivered was only 100 pieces of welding rods with an estimated cost of only about P100.00, thus causing undue injury to the PNR and at the same time giving unwarranted benefit, thru violent bad faith, to the supplier Charlstan Trading.

Based on the aforequoted provision of law allegedly violated and the manner in which the crime charged was alleged to have been committed, there is no doubt a crime was committed. For, aside from the unwarranted benefit, advantage or preference given to Charlstan Trading by irregularly awarding to it the right to supply the PNR with Esab welding rods without a public bidding, there was also shortage in the delivery of the requisitioned materials, which caused unwarranted injury to the government, particularly the PNR.

With this finding that the crime charged was indeed committed the next issue that has to be resolved is whether or not there was conspiracy between the supplier and the PNR officials/employees.

The evidence on record shows that such a conspiracy existed, considering that the anomalous or irregular award, and short or under delivery of the requisitioned items in question could not have been made possible without the connivance of the supplier and the PNR officials/employees involved in the transaction.

Thus, when the Purchase Request (Exhibit "F") for 100 pcs. of welding rod, worth about P100, together with the remaining four (4) copies thereof, reached the PNR's Purchasing and Stores Department at its Caloocan Branch office, the same were already falsified to make it appear that the requisition was for 360 kilograms of Esab welding rods. Thereafter, it was entered on the Price Quotation Slip (Exhibit "G") that Charlstan Trading was the exclusive distributor of all Esab products, to enable it to be awarded the right to supply the PNR with the materials under requisition thru negotiated purchase. Finally, acknowledgments were given for the receipt of 360 kilograms of Esab Welding rod worth P43,776.00 as described in the Purchase Order (Exhibit "E") and the supplier's Sales Invoice (Exhibit "C"), on the Shipping Order and Notice (Exhibit "K"), Direct Delivery Statement (Exhibit "L") and the Sales Invoices themselves. In fact, it was alleged in the Inspection Report (Exhibit "J"), that 360 kilograms of welding rod worth P43,776.00 were delivered to the requisitioner Jaime Santos.

All the foregoing documents were prepared and processed by PNR officials/employees in connection with the performance of their official functions and/or duties, without which collusion the anomalies and/or irregularities charged could not have been committed.

But, were all the petitioners part of the conspiracy so as to make them liable for the crime charged?

With respect to petitioner Leticia Baltazar, there is no doubt of her participation in the conspiracy. As the supplier, she was the one who caused the misrepresentation that her business firm Charlstan Trading was an exclusive distributor of all Esab products. Being the supplier, she was also responsible for the delivery of the materials under requisition, which turned out to be short of the stipulated P43,776.00 worth of welding rods, as the delivery consisted only of 100 pieces of welding rod costing only about P100.00.

So with the petitioners Arliee Cruz and Enrico Perez, officer of the Receiving and Shipping Section of the PNR Caloocan Branch, and the COA Technical Property Inspector, respectively. As such, they were charged with the duty to see to it that the delivery made by the supplier conformed to the purchase order and sales invoice. Yet they allowed the irregularities to be committed by signing the said forms. In fact, petitioner Perez even made it appear in the Inspection Report he prepared that welding rods worth P43,776.00 had been delivered. And it was on the basis of the foregoing, that Disbursement Voucher No. 05102 was prepared allowing Baltazar to collect and receive from the PNR the amount of P43,776.00 when what was actually delivered were only 100 pieces of welding rod worth P100.00.

As to the petitioner Cipriano Dizon, his involvement in the conspiracy, according to the respondent Court, was demonstrated by causing the preparation of the Price Quotation Slip (Exhibit "G") without exercising the requisite diligence to ascertain why there were intercalations, insertions and super-impositions in the Purchase Request which allegedly were noticeable even to the naked eye. Thereafter, he approved on May 15, 1980 the said Price Quotation Slip without ascertaining the veracity of the entries on the Request for Price Quotations (Exhibit ("H") allegedly submitted by Charlstan Trading stating that it was an "exclusive distributor of all ESAB products", entitled to be awarded the right to supply the PNR with the requisitioned materials thru a negotiated purchase without the benefit of a public bidding. Then the next day (May 16, 1980), Dizon sent a Memorandum to the General Manager (the accused Juan de Castro) recommending the award to Charlstan Trading (Exhibit "D"), which recommendation was approved by de Castro on the same day. He also signed the Purchase Order dated

May 28, 1980 (Exhibit "E") and affixed his signature on the Disbursement Voucher (Exhibit "A"), certifying to the correctness of the expenditure and that the requisitioned materials had been properly accounted for in accordance with Accounting and Auditing Regulations (Decision, pp. 83-84).

Contrary, however, to the observation of respondent court that the intercalations, insertions and super-impositions in the said exhibits "were noticeable even to the naked eye", the same appear to have been regularly typed by the same typewriter with those of the original entries therein. In other words, the falsification is not evident to the naked eye.

Neither can petitioner Dizon's alleged failure to further ascertain that Charlstan Trading was indeed an exclusive distributor of all Esab products before approving the price quotation slip be considered as indicative of conspiracy. For the same had been prepared duly processed by responsible officials of the PNR before it was submitted to him for his approval. The price quotation slip was prepared by Prospero Guevarra who was the Chief of the Bidding and Canvassing Section. Then the entries were counterchecked by Virgilio Tortuna, the Chief of the Procurement Division. And both Guevarra and Tortuna were not included among the accused in these cases.

Other circumstances negate the involvement or existence of conspiracy on the part of Dizon, such as: (1) his notation "P.Q.S." on the Purchase Request (Exhibit "F"), which ordered the Chief of the Procurement Division to conduct public bidding; (2) his request for Guevarra to negotiate for a reduction of the price quoted by the suppliers; and (3) his inquiry as to the exclusive distributorship of the supplier.

The other accused are petitioners Bernabe, Culang, Espejo and Escandor who were COA/PNR Auditors. They came into the picture during the pre-audit examination of the Disbursement Voucher (Exhibit "A") in question. The processing and approval in pre-audit thereof by the petitioner-auditors, according to the respondent court, "were tainted with serious irregularities tending to show evident bad faith, manifest partiality and/or gross negligence on their part in order to give unwarranted benefit, preference and advantage to an unqualified supplier, Charlstan Trading". The evidence on record however does not show any fact or circumstance from which their participation in the conspiracy may be inferred. On the contrary, the records show the existence of facts negating conspiracy such as -

First - the handwritten query dated June 30, 1980 of petitioner Sotero B. Escandor, Jr. directed at the Disbursement Department, asking for the supporting papers showing the exclusive distributorship of the supplier (Charlstan Trading); and the reply of petitioner Espejo thereto, stating that the supporting papers were attached to a previous similar transaction involving the same supplier (Exhibit "3-Dizon"). This will not only tend to negate the petitioners-auditors' involvement in the conspiracy, but also demonstrate their diligence in the performance of their official duties.

Second - the dropping of petitioners-auditors from the original information for estafa thru Falsification of Public Documents (Criminal Case No. 8286) upon the Tanodbayan's own motion after conducting a reinvestigation of the case. Thus, indicating not only petitioners-auditors' innocence of the falsification of the Purchase Request (Exhibit "F") but also the instant charge for corrupt practices, which could not have been accomplished without said certification.

WHEREFORE, the appealed decisions convicting Leticia Baltazar, Arlie Cruz and Enrico Perez are AFFIRMED, but the decisions with respect to Cipriano Dizon, Anacleto Bernabe, Lorenzo Culang, Marcos Espejo and Sotero Escandor are REVERSED and the said accused are hereby ACQUITTED on ground of reasonable doubt.

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

Feliciano J., no part. Did not participate in deliberations.

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.