

THIRD DIVISION

[G.R. No. 207418, June 23, 2021]

**ROSELLA BARLIN, PETITIONER, VS. PEOPLE OF THE
PHILIPPINES, RESPONDENT.**

DECISION

Hernando, J.:

Challenged in this petition^[1] are the December 6, 2012 Decision^[2] and June 10, 2013 Amended Decision^[3] of the Court of Appeals (CA) in CA-G.R. CR No. 31462, which affirmed with modification the May 10, 2006 Decision^[4] of the Regional Trial Court (RTC) of Pasig City, Branch 151, in Criminal Case No. 119540 which found Rosella Barlin (petitioner) guilty beyond reasonable doubt of *Estafa* under Article 315 (1)(b) of the Revised Penal Code (RPC).

The Antecedents:

The Information^[5] charging petitioner with *Estafa* under Article 315 paragraph 1(b) of the RPC reads:

Sometime [o]n March 3 to May 8, 1999, in San Juan, Metro Manila, and within the jurisdiction of this Honorable Court, the accused, received in trust from Ruth S. Cagayan (sic), Triumph products covered by various trust receipts in the amount of P74,055.00, with the obligation to dispose and sell the said item and thereafter remit the same to the complainant, but the accused once in possession of the said amount and far from complying with her obligation, with unfaithfulness and abuse of confidence and in violation of the trust reposed on her, with intent to gain and to defraud said Ruth S. Cagayan (sic), did then and there willfully, unlawfully and feloniously misappropriate, misapply and convert to her own personal use and benefit the said amount of P74,055.00, without authority and knowledge of the said complainant, in the amount of P74,055.00, and despite demands from the complainant to return the said amount, said accused failed and refused to return the same to the loss, damage and prejudice of Ruth S. Cagayan. (sic)

Contrary to law.^[6]

Petitioner pleaded not guilty to the crime charged. Thereafter, trial on the merits ensued.

Evidence for the Prosecution:

Private complainant Ruth S. Gacayan (Gacayan) and petitioner were both dealers of Triumph products in San Juan, Metro Manila. After petitioner's store was gutted by a

fire, Gacayan agreed to place orders of Triumph products in petitioner's behalf through Gacayan's credit line. Their transactions were covered by Trust Receipt Agreements (TRAs). The parties agreed that petitioner would either pay for the items or return them if unsold after 30 days from receipt thereof.^[7]

Out of the 22 TRAs presented by the prosecution, only two were signed by petitioner herself while the others were signed by her salespersons, Margie Castillo (Castillo) or Eva Varga!(Vargal).^[8]

On the other hand, Gacayan admitted that she also purchased Avon items from petitioner covered likewise by TRAs. The value of the Avon merchandise as well as the returned unsold Triumph products were off-setted from the amount due from petitioner.^[9]

From March 6, 1999 until December 16, 1999, petitioner religiously returned the unsold items to Gacayan. However, Gacayan claimed that petitioner failed to pay on time for the other items with a total value of P74,955.00. Petitioner thus issued checks to pay her obligations to Gacayan but the checks bounced for having been drawn against a closed account. Hence, Gacayan filed a criminal complaint for *estafa* against petitioner. During trial, Gacayan claimed that petitioner owed her P78,055.00.^[10]

Evidence for the Defense:

Petitioner was a group and franchise dealer of Avon products. She met Gacayan, a group dealer of Triumph products, when the former was still a candidate dealer. When petitioner's store was gutted by fire, she requested Gacayan to allow her to use her account so she could continue to purchase Triumph products at a discount. Gacayan agreed on the condition that petitioner pay the items within a month from receipt thereof.^[11]

Out of the 22 TRAs submitted by the prosecution, petitioner admitted to having received the items covered by TRAs 0081 and 0083 only as per her signature thereon. Petitioner also claimed that Gacayan received Avon products from her with a total value of P25,900.00 but this amount was not deducted from her payables to Gacayan. Neither did Gacayan sign any TRA. Petitioner insisted that she already returned all unsold products to Gacayan with a total value of P43,000.00. Thus, she no longer had any liability to Gacayan.^[12]

Finally, petitioner admitted that a criminal case for violation of Batas Pambansa Bilang 22 (BP 22) was filed by Gacayan against her in the Metropolitan Trial Court (MeTC), Branch 57 of San Juan, Metro Manila. Petitioner presented a Compromise Agreement on the civil liability they entered into on October 16, 2002 on the BP 22 case. She claimed that she was in the process of paying off the compromise amount of P50,000.00.^[13]

Ruling of the Regional Trial Court:

On May 10, 2006, the RTC rendered its Decision^[14] convicting petitioner of *Estafa* defined and penalized under Article 315, paragraph 1(b) of the RPC.

The RTC found that petitioner received items from Gacayan as per the TRAs presented by the prosecution. Thus, petitioner could not deny having procured items from Gacayan. Her failure to remit the proceeds of the sale of the products or to return the unsold items constitutes the crime of *estafa*.^[15]

Moreover, her partial cash payments and the offsetting with the products procured by Gacayan will not exculpate her from criminal liability for the crime of *estafa*. Neither did the alleged compromise agreement she entered into with Gacayan before the MeTC of San Juan be used as a defense for prosecution for *estafa*.^[16]

The *fallo* of the RTC judgment reads:^[17]

WHEREFORE, the Court finds accused Rosella Barlin GUILTY beyond reasonable doubt of the crime of *Estafa* defined and penalized under Art. 315 par. 1 (b) of the Revised Penal Code and imposes upon her the indeterminate sentence of from FOUR (4) YEARS and TWO (2) MONTHS of *prision correccional* as minimum to THIRTEEN (13) YEARS of *reclusion temporal* as maximum and to indemnify complainant Ruth S. Gacayan also known as Ruth S. Gacayan the sum of P74,055.00 and to pay the costs.

SO ORDERED.^[18]

Ruling of the Court of Appeals:

In its assailed Decision,^[19] the CA found that petitioner guilty as charged when she disposed the goods covered thereby without delivering the proceeds to Gacayan. Section 13 of Presidential Decree No. 115 (PD 115), otherwise known as the *Trust Receipts Law*, clearly provides that when the entrustee fails to turn over the proceeds of the sale of goods, documents or instruments by a trust receipt or to return the goods, documents or instrument if unsold or not disposed of shall be liable for the crime of *estafa* under Article 315 paragraph 1(b) of the RPC.^[20]

The appellate court held that petitioner personally received in her name the items which were covered by the TRAs. However, despite demand, she denied receipt of the items except those covered by two TRAs which she signed herself and failed to pay in full.^[21]

Nonetheless, the appellate court noted that the prosecution failed to sufficiently prove the exact amount of petitioner's obligation since Gacayan submitted inconsistent computations.^[22]

The appellate court only considered the trust receipts and the amounts reflected therein which were duly proven by the prosecution, namely, TRA No. 0081,^[23] 0083^[24] and the trust receipts identified by Gina Taberna (Taberna), Gacayan's saleslady who testified that Castillo signed TRA No. 0064,^[25] 0065,^[26] 0072,^[27]

0073^[28] and 0077^[29] in behalf and with authority of petitioner. The total amount owed, therefore, of petitioner to Gacayan was reduced to P24,975.00.^[30]

Moreover, the appellate court ruled that the compromise agreement entered into by the parties before the MeTC of San Juan with respect to the criminal case filed by Gacayan against petitioner for the latter's violation of BP 22 did not novate the TRAs to a contract of loan or relieve Badin of her criminal liability and convert it to one merely civil in nature.^[31]

The dispositive portion of the appellate court's Decision reads as follows:

WHEREFORE, premises considered, the appealed Decision dated May 10, 2006 in Criminal Case No. 119540 finding accused-appellant ROSELLA BARLIN guilty beyond reasonable doubt of the crime of estafa under Article 315(1)(b) of the Revised Penal Code is hereby AFFIRMED with the MODIFICATION that accused-appellant ROSELLA BARLIN is sentenced to suffer the indeterminate penalty of four years and two months of *prision correccional* as minimum to six years, eight months and 21 days of *prision mayor* as maximum. Accused-appellant is ORDERED to indemnify private complainant Ruth Gacayan in the amount of P24,975.00 as actual damages and to pay the costs.

SO ORDERED.^[32]

Upon petitioner's Motion for Reconsideration, the CA rendered its June 10, 2013 Amended Decision^[33] affirming the judgment of conviction but modifying the minimum penalty imposed, viz.:

"x x x accused-appellant ROSELLA BARLIN is sentenced to suffer the indeterminate penalty of SIX (6) MONTHS AND ONE (1) DAY OF PRISION CORRECCIONAL AS MINIMUM to six years, eight months and 21 days of prision mayor as maximum. Accused-appellant is ORDERED to indemnify private complainant Ruth Gacayan in the amount of P24,975.00 as actual damages and to pay the costs.

SO ORDERED."^[34]

Hence, this petition.

Issues

Petitioner raises the following errors:

I

WHETHER OR NOT THE COURT OF APPEALS ERRED IN RULING THAT THE AGREEMENTS BETWEEN BARLIN AND GACAYAN ARE TRUST RECEIPT AGREEMENTS.

II

WHETHER OR NOT THE COURT OF APPEALS ERRED IN CONVICTING