

SECOND DIVISION

[G.R. No. 200222, August 28, 2013]

**INTEGRATED MICROELECTRONICS, INC., PETITIONER, VS.
ADONIS A. PIONILLA, RESPONDENT.**

R E S O L U T I O N

PERLAS-BERNABE, J.:

The Court hereby resolves the Motion for Reconsideration^[1] filed by petitioner Integrated Microelectronics, Inc. (IMI) from its Resolution^[2] dated January 14, 2013, denying its petition for review on *certiorari*^[3] which assailed the Decision^[4] dated July 28, 2011 and Resolution^[5] dated January 16, 2012 of the Court of Appeals (CA) in CA-G.R. SP No. 113274 finding respondent Adonis A. Pionilla (Pionilla) to have been illegally dismissed. For clarity, the Court briefly recounts the antecedents of this case.

The Facts

On November 14, 1996, Pionilla was hired by IMI as its production worker. On May 5, 2005, Pionilla received a notice from IMI requiring him to explain the incident which occurred the day before where he was seen escorting a lady to board the company shuttle bus at the Alabang Terminal. It was reported by the bus marshall that the lady was wearing a company identification card (ID) – which serves as a free pass for shuttle bus passengers – even if she was just a job applicant at IMI. In this regard, Pionilla admitted that he lent his ID to the lady who turned out to be his relative. He further intimated that he risked lending her his ID to save on their transportation expenses. Nevertheless, he apologized for his actions.^[6]

A Conscience Committee (committee) was subsequently formed to investigate the matter. During the committee hearing, Pionilla admitted that at the time of the incident, he had two IDs in his name as he lost his original ID in November 2004 but was able to secure a temporary ID later. As Pionilla and his relative were about to board the shuttle bus, they were both holding separate IDs, both in his name. Based on the foregoing, IMI found Pionilla guilty of violating Article 6.12 of the Company Rules and Regulations (CRR) which prohibits the lending of one's ID since the same is considered a breach of its security rules and carries the penalty of dismissal. Subsequently, or on August 17, 2005, Pionilla received a letter dated August 16, 2005 informing him of his dismissal from service. Three days after, he filed a complaint for illegal dismissal with damages against IMI.^[7]

On May 17, 2007, the Labor Arbiter (LA) rendered a Decision^[8] finding Pionilla to have been illegally dismissed by IMI and, as such, ordered the latter to reinstate him to his former position and to pay him backwages in the amount of P417,818.78. The LA held that Pionilla was harshly penalized,^[9] observing that the latter did not

breach the security of the company premises since his companion was not able to enter the said premises nor board the shuttle bus.^[10] The LA added that the misdeed was not tainted with any wrongful intent as it was merely impelled by a mistaken notion of comradeship (“*pakikisama*”) and gratitude (“*utang na loob*”) on Pionilla’s part.^[11] Further, the LA held that no dishonesty can be attributed to Pionilla’s act of keeping his old ID as this appeared to be a new charge, or at the very least, was merely incidental to the first offense of lending a company ID to another.^[12] Dissatisfied, IMI elevated the matter to the National Labor Relations Commission (NLRC).

On appeal, the NLRC, through a Decision dated June 30, 2008,^[13] reversed the LA’s ruling, finding Pionilla’s dismissal to be valid. It pointed out that Pionilla’s act of lending his temporary ID was willful and intentional as he, in fact, admitted and apologized for the same.^[14] The NLRC further ruled that Pionilla’s attitude in violating the CRR could be treated as perverse as bolstered by his failure to surrender his temporary ID despite locating the original one.^[15] Dissatisfied, Pionilla filed a petition for *certiorari* before the CA.

On July 28, 2011, the CA rendered a Decision,^[16] granting Pionilla’s petition. It found that while IMI’s regulations on company IDs were reasonable, the penalty of dismissal was too harsh and not commensurate to the misdeed committed. It also stated that while the right of the employer to discipline is beyond question, it, nevertheless, remains subject to reasonable regulation.^[17] It further noted that Pionilla worked with IMI for a period of nine years without any derogatory record and even observed that his performance rating had always been “outstanding.”^[18] Undaunted, IMI moved for reconsideration which was, however, denied in a Resolution^[19] dated January 16, 2012.

In view of the CA’s ruling, IMI filed a petition for review on *certiorari* before the Court which was equally denied in a Resolution^[20] dated January 14, 2013, pronouncing that there was no reversible error on the part of the CA in finding Pionilla to have been illegally dismissed. The Court ruled that the imposition of the penalty of dismissal was too harsh and incommensurate to the infraction he committed, this especially considering his nine years of unblemished service. Hence, the present motion for reconsideration.

The Issue Before the Court

The essential issue for the Court’s resolution is whether or not its Resolution dated January 14, 2013 should be reconsidered. Among others, IMI contends that to award Pionilla reinstatement and full backwages would not only be excessive and unfair, but would be contrary to existing principles of law and jurisprudence.^[21]

The Court’s Ruling

The motion for reconsideration is partly granted.

As a general rule, an illegally dismissed employee is entitled to reinstatement (or separation pay, if reinstatement is not viable) and payment of full backwages. In