

FIRST DIVISION

[G.R. No. 173774, January 30, 2012]

**MANILA ELECTRIC COMPANY, PETITIONER, VS. MA. LUISA
BELTRAN, RESPONDENT.**

D E C I S I O N

DEL CASTILLO, J.:

As the law regards workers with compassion, an employer's right to discipline them should be tempered with compassion as well. In line with this, the imposition of the supreme penalty of dismissal is justified only when there are sufficient grounds as supported by substantial evidence.

This Petition for Review on *Certiorari*^[1] assails the November 25, 2005 Decision^[2] of the Court of Appeals (CA) in CA-G.R. SP No. 67960, which granted the petition filed therewith, reversed the May 30, 2001 Decision^[3] of the National Labor Relations Commission (NLRC), and accordingly affirmed the July 16, 1999 Decision^[4] of the Labor Arbiter ordering petitioner Manila Electric Company (MERALCO) to reinstate respondent Ma. Luisa Beltran (Beltran) to her former position but without payment of backwages. Likewise assailed is the CA Resolution^[5] dated July 19, 2006 which denied the Motion for Reconsideration thereto.

Factual Antecedents

Beltran was employed by MERALCO on December 16, 1987. At the time material to this case, she was holding the position of Senior Branch Clerk at MERALCO's Pasig branch. While rendering overtime work on September 28, 1996, a Saturday, Beltran accepted P15,164.48 from Collection Route Supervisor Berlin Marcos (Marcos), which the latter received from customer Andy Chang (Chang). The cash payment was being made in lieu of a returned check earlier issued as payment for Chang's electric bill. Beltran was at first hesitant as it was not part of her regular duties to accept payments from customers but was later on persuaded by Marcos' persistence. Hence, Beltran received the payment and issued Auxiliary Receipt No. 87964^[6] which she dated September 30, 1996, a Monday, instead of September 28, 1996. This was done to show that it was an accommodation, an accepted practice in the office. She thereafter placed the money and the original auxiliary receipt and other documents pertinent to the returned check underneath her other files inside the drawer of her table.

Beltran, however, was only able to remit Chang's payment on January 13, 1997. Thus, in a Memorandum^[7] dated January 16, 1997, she was placed under preventive suspension effective January 20, 1997 pending completion of an investigation. MERALCO considered as misappropriation or withholding of company

funds her failure to immediately remit said payment in violation of its Code on Employee Discipline. Investigation thereafter ensued.^[8]

In her *Sinumpaang Salaysay*,^[9] Beltran admitted receipt of Chang's payment of P15,164.48 on September 28, 1996. She also admitted having issued an Auxiliary Receipt dated September 30, 1996 and having remitted the amount only on January 13, 1997, after her immediate supervisor, Elenita L. Garcia (Garcia), called her attention about the payment and its non-remittance. Beltran nevertheless explained the circumstances which caused the delay of the turn-over of Chang's payment. She recounted that on the day following her receipt of the money, she had a huge fight with her husband which led to their separation; that on September 30, 1997, she reported at MERALCO's Taguig branch where she worked until 8:30 p.m.; and, that subsequent marital woes coupled with her worries for her ailing child distracted her into forgetting Chang's payment. Beltran claimed that after Garcia approached her regarding the unremitted payment of Chang, she immediately looked for the money in her drawer and right there and then handed it over to Garcia together with the other pertinent documents. Beltran denied having personally used the money.

Garcia, the Administrative Supervisor of MERALCO's Pasig branch, on the other hand, testified that while doing an accounting of all outstanding returned checks sometime in December 1996, she noticed that Chang's returned check was missing. Upon further inquiry, she discovered that Chang had already redeemed the returned check after paying P15,164.48 to Beltran, who in turn issued an Auxiliary Receipt dated September 30, 1996. It was also discovered that the payment has not yet been remitted. This prompted her to inquire from Beltran on January 7, 1997 about the supposed payment and immediately ordered the remittance of the same. Beltran, however, failed to do so on that day and even on the next day when she reported for work. Beltran subsequently went on leave of absence on January 9 and 10, 1997. It was only on January 13, 1997 that the money with the pertinent documents were handed over.^[10]

In a memorandum^[11] dated February 25, 1997, the investigator found Beltran guilty of misappropriating and withholding Chang's payment of P15,164.48 and recommended her dismissal from service thus:

For **wilfully, unlawfully and feloniously** withholding and/or misappropriating for your personal purposes or benefit electric bill payment of a Meralco customer, you have thereby violated Section 7 par. (1) of the Company Code on Employee Discipline which proscribes "(m)isappropriating, or withholding, Company funds: penalized therein with dismissal from the service. Because of this act of fraud and dishonesty, you have wilfully breached the trust and confidence reposed in you by your employer.

x x x x

Accordingly, Management is constrained to dismiss you for cause from the service and employ of the Company, as you are hereby so dismissed effective 13 March 1997, with forfeiture of all rights and privileges.^[12] (Emphasis supplied.)

By virtue thereof, Beltran was terminated effective March 13, 1997.^[13]

Beltran filed a complaint for illegal dismissal^[14] against MERALCO. She argued that she had no intention to withhold company funds. Besides, it was not her customary duty to collect and remit payments from customers. She claimed good faith, believing that her acceptance of Chang's payment is considered goodwill in favor of both MERALCO and its customer. If at all, her only violation was a simple delay in remitting the payment, which caused no considerable harm to the company. Further, her nine years of unblemished service to the company should be taken into account such that the penalty of dismissal is not a commensurate penalty for the unintentional act committed.

MERALCO, on the other hand, maintained that under company policy, Beltran had the duty to remit payment for electric bills by any customer on the day the same was received. It opined that if indeed the money was kept intact inside the drawer and was not put to personal use, Beltran could have easily turned over the same when Garcia instructed her to do so on January 7, 1997. However, Beltran failed to remit the money on said date and even on the following day, January 8, when she reported for work. Worse, in the two succeeding days, she went on leave. Thus, there was a clear sign of misappropriation of company funds, considered a serious misconduct and punishable by dismissal from the service. Further, Beltran's reason for her failure to perform such obligation on account of family problems deserves scant consideration. MERALCO insisted that Beltran's act renders her unworthy of the trust and confidence demanded of her position.

Ruling of the Labor Arbiter

In a Decision^[15] dated June 16, 1999, the Labor Arbiter regarded the penalty of dismissal as not commensurate to the degree of infraction committed as there was no adequate proof of misappropriation on the part of Beltran. If there was delay in Beltran's remittance of Chang's payment, it was unintentional and same cannot serve as sufficient basis to conclude that there was misappropriation of company funds. In fact, Beltran did not even attempt to deny possession of, or refuse to hand in, the money. The Labor Arbiter thus gave compassionate consideration for the neglect to remit the money promptly, stating that it is excusable for Beltran to commit lapses in her work due to serious family difficulties. While the Labor Arbiter commiserated with Beltran's circumstances and took into account her long and untainted service, he nonetheless imposed disciplinary action in the form of forfeiture of salary for her neglect in remitting the funds at once. The dispositive portion of his Decision reads as follows:

IN THE LIGHT OF THE FOREGOING, the respondent is hereby ordered to reinstate the complainant to her former position without backwages. The forfeiture of backwages should be an equitable penalty for the delay in the remittance of company funds.

SO ORDERED.^[16]

Ruling of the National Labor Relations Commission

Upon appeal, the NLRC reversed the Labor Arbiter's Decision and dismissed Beltran's complaint against MERALCO in its Decision^[17] dated May 30, 2001. It found that Beltran withheld company funds by failing to remit it for almost four months. It disregarded Beltran's assertion of family problems as the same cannot be used as an excuse for committing a serious misconduct in violation of the trust reposed on her as a Senior Branch Clerk. The NLRC was convinced that Beltran used the money for her personal needs since her act of taking a leave of absence right after her confrontation with Garcia suggested that she needed time to produce it. The NLRC thus ruled that MERALCO validly dismissed Beltran from the service in the exercise of its inherent right to discipline its employees.

In her Motion for Reconsideration,^[18] Beltran attributed grave abuse of discretion on the part of the NLRC in basing its conclusions on mere inferences and presumptions. Beltran argued that she could not be guilty of withholding Chang's payment, much more, misappropriating it. She alleged that Garcia did not order her to remit the money on January 7, 1997 or on the following day. Further, records reveal that she was on leave from January 9 to 10 to attend to her child who was suffering from asthma. And since January 11 and 12 are Saturday and Sunday, she deemed it appropriate to make the remittance on the following Monday, January 13, 1997. Garcia, however, refused to accept the money, saying that she already committed withholding of company funds.

The NLRC denied Beltran's Motion for Reconsideration.^[19]

Ruling of the Court of Appeals

When Beltran brought the case to the CA via a Petition for Certiorari,^[20] the NLRC's ruling was reversed. The CA instead agreed with the findings of the Labor Arbiter that there were no serious grounds to warrant Beltran's dismissal. The CA held that the penalty of dismissal is harsh considering the infraction committed and Beltran's nine years of unblemished service with MERALCO. It held that Beltran's mere failure to remit the payment was unintentional and not attended by any ill motive and that her excuse for the inadvertence was reasonable. As such, the CA affirmed the ruling of the Labor Arbiter ordering MERALCO to reinstate Beltran to her former position but with the forfeiture of her salary as an equitable penalty for her negligence. Thus, in its Decision^[21] dated November 25, 2005, the petition was resolved as follows:

WHEREFORE, premises considered, the instant petition is hereby **GRANTED**. The x x x Decision dated May 30, 2001 and the Resolution dated August 22, 2001 of the National Labor Relations Commission are hereby **REVERSED**. **ACCORDINGLY**, the Decision of the Labor Arbiter dated June 16, 1999, is hereby **AFFIRMED**.

SO ORDERED.^[22]

In a Resolution^[23] dated July 19, 2006, MERALCO's Motion for Reconsideration was denied by the CA. Hence, MERALCO filed this present Petition for Review on Certiorari, raising the lone issue of whether –