

GERONIMO GATMAITAN, PLAINTIFF AND APPELLANT, VS. MANILA RAILROAD COMPANY, ET AL., DEFENDANTS AND APPELLEES.

G.R. No. L-19892. September 25, 1967

Ponente: DIZON, J.

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DIZON, J.:

Appeal taken by Geronimo Gatmaitan from the judgment of the Court of First Instance of Manila in Civil Case No. 37098 dismissing his complaint against the Manila Railroad Company - hereinafter referred to as the Company - and its officers.

It is not denied that appellant was employed as Cashier and Assistant Treasurer of the Manila Railroad Company for a good number of years. On December 11, 1952, upon discovery of the encashment of forged treasury warrants, with a total value of over P400,000.00, appellant was suspended. However, on June 30, 1953, pursuant to a resolution of the Board of Directors and the instructions of the General Manager, he reported for work as Administrative Assistant in the Executive Department of the Company. Subsequently, because Criminal Cases Nos. 22563-65, 22831-33, for estafa thru falsification of public documents, were filed against him in the Court of First Instance of Manila, he was again suspended effective January 27, 1954. During his suspension his original position was abolished.

By reason of the criminal cases mentioned above, the Board of Directors of the Company, through its Chairman, created a committee of five to conduct further investigations on the matter. This only after conducting the required investigation, found appellant guilty of misconduct, and on December 16, 1955, the Board of Directors, in Resolution No. 814, decreed appellant's dismissal from the service. Notice thereof was given to him in a letter dated December 24 of the same year.

On September 30, 1957, judgment was rendered in the criminal cases mentioned heretofore acquitting appellant of the crime, charged on the ground that his guilt had not been proven beyond reasonable doubt. As the Company refused to reinstate him, notwithstanding his acquittal, and to pay him his back wages, appellant commenced the present action on August 5, 1958. After due trial, the court rendered the appealed judgment.

In his brief appellant contends that the lower court erred: firstly, in dismissing the case upon the ground that it was not filed within one year from the time he was served with notice of his dismissal, and secondly, in holding that the investigations conducted by the Company satisfied the requirements of due process in administrative proceedings.

We shall first take up the second question, for if the lower court did not commit this alleged error, there would be no need for Us to consider the first.

As stated heretofore, because of appellant's involvement in the fraudulent encashment of forged treasury warrants - to the prejudice of the Company - he was suspended from office on December 11, 1952. On June 30 of the following year, pursuant to a resolution of the Board of Directors and instructions of the General Manager,

appellant was asked to report, and did report, to work but as Administrative Assistant in the Executive Department instead of as Cashier and Assistant Treasurer of the Company. When he was charged with estafa through falsification of public documents in four criminal cases, he was suspended anew effective January 27, 1954, and the Board of Directors of the Company, through its Chairman, created a committee of five members to conduct a formal investigation in connection with the same matter. Appellant, assisted by counsel, appeared before this committee and upon conclusion of the hearings, he submitted to it a lengthy memorandum. Thereafter, the committee found him guilty and, as a result on December 16, 1955 the Board dismissed him from the service. Upon these facts, it is clear that appellant was given full opportunity to be heard and defend himself.

It is true that on September 30, 1957 appellant was acquitted in the criminal cases mentioned heretofore, but it is not denied that said acquittal was based merely on reasonable doubt regarding his guilt. We have heretofore held that conviction in a criminal case is not indispensable to warrant the dismissal of an employee by his employer; it being enough that the latter had proof of the former's guilt of breach of trust or other sufficient reason (*National Labor Union vs. Standard etc.* 40 O.G. 3503). Therefore, appellant having been duly investigated and found guilty of gross negligence and conduct prejudicial to the interest of his employer, We must necessarily conclude that his conviction in the criminal actions already mentioned was not indispensable to warrant his dismissal from the service, nor did his acquittal on reasonable doubt in any way affect the previous order for his dismissal.

WHEREFORE, the judgment appealed from being in accordance with law and the evidence, the same is hereby affirmed, with costs.

Concepcion, C.J., Reyes, Querubin, Calixto, Sanchez, Castro, Angeles, and Fernando, JJ., concur.
Bengzon, J., on leave.

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