FUNCTIONAL, INC. PETITIONER, VS. SAMUEL C. GRANFIL, RESPONDENT.

G.R. No. 176377. November 16, 2011

Ponente: PEREZ, J.

Read online (full-text search, related cases, audio case brief): https://batas.org/library/g-r-no-176377/

PEREZ, J.:

Assailed in this petition for review[1] filed under Rule 45 of the 1997 Rules of Civil Procedure is the Decision dated 22 November 2006 rendered by the then Tenth Division of the Court of Appeals (CA) in CA-G.R. SP No. 94851,[2] the dispositive portion of which states:

> WHEREFORE, premises considered, the petition is GRANTED. The Resolution dated April 20, 2005 and the order dated January 26, 2006 of public respondent NLRC, First Division in NLRC NCR Case No. 09-07126-02 NLRC NCR CA No. 035887-03 sustaining the findings of the Labor Arbiter are hereby REVERSED and SET ASIDE. Private respondent Functional, Inc. is hereby ORDERED to reinstate petitioner Granfil without loss of seniority rights and other privileges, and to pay the latter his full backwages, inclusive of allowances and other benefits, from July 31, 2002 up to the time of his actual reinstatement.
>
> SO ORDERED.[3]

The Facts

Sometime in 1992, respondent Samuel C. Granfil was hired as key operator by petitioner Functional, Inc. (FI), a domestic corporation engaged in the business of sale and rental of various business equipments, including photocopying machines. As Key Operator, Granfil was tasked to operate the photocopying machine rented by the National Bookstore (NBS) at its SM Megamall Branch. There is no dispute regarding the fact that, in the evening of 30 July 2002, Granfil attended to a customer by the name of Cosme Cavaldeja (Cavaldeja) who, together with his wife, asked to have their flyers photocopied. It appears that Bonnel Dechavez, the security guard assigned at said establishment, saw Cavaldeja handing money to Granfil after the transaction was finished.[4] After investigating the matter, Dechavez submitted the following incident report to NBS Branch Manager Lucy Genegaban (Genegaban), to wit:

> At around 1940 on July 30, 2002 at NBS SM Megamall Dona Julia Vargas Ave., Mandaluyong City, I checked one customer and asked if he already paid for his xerox[ed] item's (sic) and he said "yes." Upon asking for a receipt, he pointed to Sammy the Xerox operator [to] whom he g[a]ve payment, instead of paying to the cashier. Sammy came and it was only then that he brought the customer to the counter 09 for payment [of] the amount of [the] xerox[ed] item's (sic) is P250.[5]

On 3 September 2002, Granfil filed a complaint against FI, its President, Romeo Bautista (Bautista), its Marketing Manager, Freddie Tenorio (Tenorio), its Office Supervisor, Julius Ballesteros (Ballesteros), and its Area Supervisor, Joel Dizon (Dizon), for illegal dismissal, unpaid 13[th] month pay, moral and exemplary damages and attorney's fees. In support of his complaint which was docketed as NLRC NCR Case No. 09-07126-2002 before the arbitral level of the National Labor Relations Commission (NLRC),[6] Granfil alleged, among other matters,

that the money which Dechavez saw him receive from Cavaldeja was a P200 tip said customer gave him in appreciation of his assistance in xeroxing and organizing the batches of voluminous materials he asked to be photocopied; that payment for the materials was, however, already paid per batch by Cavaldeja's wife who, by that time, had already left the premises; and, that rather than listening to his explanation and simply verifying the meter of the photocopy machine as well as the paper allotted to it, Dechavez submitted his incident report which, in turn, caused Tenorio to tell him, "Mr. Granfil, magpahinga ka muna. Mabuti pa, pumirma ka nalang ng resignation letter para may makuha ka pa."[7]

Granfil further asseverated that, with said incident report having been telefaxed to FI's head office, he was asked to report thereat in the morning of 31 July 2002; that instead of allowing him to explain, however, Ballesteros peremptorily ordered his termination from employment; that wishing to explain his side, he sought out Dizon who merely ignored and tersely advised him, "Magpahinga ka na lang"; that refused entry when he tried to report for work on 1 August 2002, he subsequently sought out Cavaldeja whose corroboration of his version of the incident also fell on deaf ears; that having been terminated without just cause and observance of due process, he was constrained to file the 3 September 2002 complaint from which the instant suit originated; that aside from the reinstatement to which he is clearly entitled as an illegally dismissed employee, he should be paid full backwages and 13th month pay for the year 2002; and, that in view of the malice and bad faith which characterized his dismissal from employment, Bautista, Tenorio, Ballesteros and Dizon should be held jointly and severally liable with FI for the payment of said indemnities as well as his claims for moral and exemplary damages and attorney's fees.[8]

In their position paper, FI and its corporate officers, in turn, averred that having been apprised of the incident, Genegaban requested for Granfil's relief as Key Operator of the photocopying machine installed at the NBS SM Megamall Branch; that for the good of all concerned, FI informed Granfil that he was going to be transferred to a different assignment, without demotion in rank or diminution of his salaries, benefits and other privileges; that required to report to FI's main office to act as emergency reliever to other Key Operators while waiting for his new assignment, Granfil misconstrued his transfer as a punishment for his guilt and refused to heed said directive which was within the management's prerogative to issue; that an employee's right to security of tenure does not give him such vested right to his position as would deprive his employer of its prerogative to change his assignment or transfer him where he will be most useful; and, that aside from being guilty of insubordination, Granfil clearly abandoned his employment rather than illegally dismissed therefrom.[9]

On 29 April 2003, Labor Arbiter Eduardo Carpio rendered a decision discounting Granfil's illegal dismissal from employment in view of his failure to prove with substantial evidence overt acts of termination on the part of FI and its officers. Simply awarded the sum of P3,966.65 as proportionate 13th month pay for services rendered from January to July 2002,[10] Granfil perfected the appeal which was docketed before the First Division of the NLRC as NLRC NCR CA No. 035887-03. With the affirmance of the Labor Arbiter's decision in the 20 April 2005 Resolution issued by the NLRC[11] and the subsequent denial of his motion seeking the reconsideration of said decision,[12] Granfil elevated the case through the Rule 65 petition for certiorari docketed before the CA as CA-G.R. SP No. 94851. On 22 November 2006, the CA rendered the herein assailed 22 November 2006 Decision, reversing the NLRC's 20 April 2005 Resolution on the ground that FI failed to satisfactorily prove Granfil's supposed abandonment of his employment which, by itself, was negated by his filing of a case for illegal employment. Ordering FI to reinstate Granfil and to pay his full backwages, allowances and other benefits from 31 July 2002 until his actual reinstatement, the CA denied said employee's claims for moral and exemplary damages as well as attorney's fees for lack of factual basis.[13]

FI's motion for reconsideration of the CA's 22 November 2006 decision was denied for lack of merit in said

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

court's 22 January 2007 resolution,[14] hence, this petition.

The Issues

FI prays for the reversal and setting aside of the assailed decision on the following grounds, to wit:

> A.
>
> The Honorable Court erred in holding that [Granfil] was illegally dismissed by FI.
>
> B.
>
> The Honorable Court erred in not giving credence to the factual findings of both the NLRC and Labor Arbiter before wh[om] the case was tried.[15]

The Court's Ruling

We find the petition bereft of merit.

The rule is long and well settled that, in illegal dismissal cases like the one at bench, the burden of proof is upon the employer to show that the employee's termination from service is for a just and valid cause.[16] The employer's case succeeds or fails on the strength of its evidence and not the weakness of that adduced by the employee,[17] in keeping with the principle that the scales of justice should be tilted in favor of the latter in case of doubt in the evidence presented by them.[18] Often described as more than a mere scintilla,[19] the quantum of proof is substantial evidence which is understood as such relevant evidence as a reasonable mind might accept as adequate to support a conclusion, even if other equally reasonable minds might conceivably opine otherwise.[20] Failure of the employer to discharge the foregoing onus would mean that the dismissal is not justified and therefore illegal.[21]

Denying the charge of illegal dismissal, FI insists that Granfil abandoned his employment after he was transferred from his assignment at the NBS Megamall Branch as a consequence of the latter's request for his relief.[22] In the same manner that it cannot be said to have discharged the above-discussed burden by merely alleging that it did not dismiss the employee, it has been ruled that an employer cannot expediently escape liability for illegal dismissal by claiming that the former abandoned his work.[23] This applies to FI which adduced no evidence to prove Granfil's supposed abandonment beyond submitting copies of NBS' 31 July 2002 request for said employee's transfer[24] and its 1 August 2002 written acquiescence thereto.[25] While these documents may have buttressed the claim that Granfil was indeed recalled from his assignment, however, we find that the CA correctly discounted their probative value insofar as FI's theory of abandonment is concerned.

Being a matter of intention, moreover, abandonment cannot be inferred or presumed from equivocal acts.[26] As a just and valid ground for dismissal, it requires the deliberate, unjustified refusal of the employee to resume his employment,[27] without any intention of returning.[28] Two elements must concur: (1) failure to report for work or absence without valid or justifiable reason, and (2) a clear intention to sever the employer-employee relationship, with the second element as the more determinative factor and being manifested by some overt acts.[29] The burden of proving abandonment is once again upon the employer[30] who, whether pleading the same as a ground for dismissing an employee or as a mere defense, additionally has the legal duty to observe due process.[31] Settled is the rule that mere absence or failure to report to work is not tantamount to abandonment of work.[32]

Viewed in the light of the foregoing principles, we find that the CA correctly ruled out FI's position that Granfil had abandoned his employment. Aside from the fact that Bautista, Tenorio, Ballesteros and Dizon did not even

Study hands-free: podcast-style lessons with read-along highlighting - batas.org

execute sworn statements to refute the overt acts of dismissal imputed against them, the record is wholly bereft of any showing that FI required Granfil to report to its main office or, for that matter, to explain his supposed unauthorized absences. Absence must be accompanied by overt acts unerringly pointing to the fact that the employee simply does not want to work anymore.[33] Even then, FI's theory of abandonment was likewise negated by Granfil's filing the complaint for illegal dismissal[34] which evinced his desire to return to work. In vigorously pursuing his action against FI before the Labor Arbiter, the NLRC and the CA, Granfil clearly manifested that he has no intention of relinquishing his employment. In any case, the fact that Granfil prayed for his reinstatement speaks against any intent to sever the employer-employee relationship[35] with FI.

FI next faults the CA for not giving credence to the factual findings of Labor Arbiter Eduardo Carpio which was affirmed in the NLRC's 20 April 2005 resolution.[36] As may be gleaned from the above disquisition, however, both the Labor Arbiter and the NLRC clearly erred in directing the dismissal of the complaint by unduly shifting the burden of proving the illegality of his dismissal to Granfil. While administrative findings of fact are, concededly, accorded great respect, and even finality when supported by substantial evidence, nevertheless, when it can be shown that administrative bodies grossly misappreciated evidence of such nature as to compel a contrary conclusion, this court had not hesitated to reverse their factual findings.[37] Indeed, said rule does not apply when, as here, it is clear that a palpable mistake was committed by the quasi-judicial tribunal which needs rectification.[38]

WHEREFORE, premises considered, the petition is DENIED for lack of merit and the assailed Decision dated 22 November 2006 is, accordingly, AFFIRMED in toto.

SO ORDERED.

Carpio, (Chairperson), Brion, Sereno, and Reyes, JJ., concur.

---

[1] Rollo, pp. 33-54, FI's 28 February 2007 Petition.

[2] Penned by Remedios A. Salazar-Fernando and concurred in by Justices Noel G. Tijam and Arturo G. Tayag. Id. at 55-66.

[3] Id. at 66.

[4] Id. at 38; 390-392.

[5] Id. at 91, Dechavez' 30 July 2002 Incident Report.

[6] Id. at 74, Granfil's 3 September 2002 Complaint.

[7] Id. at 76-78, Granfil's 28 October 2002 Position Paper.

[8] Id. at 78-88.

[9] Id. at 93-99, FI's 14 October 2002 Position Paper.

[10] Id. at 140-145, Labor Arbiter's 29 April 2003 Decision.

[11] Id. at 180-183, NLRC's 20 April 2005 Resolution.

[12] Id. at 184-186, NLRC's 26 January 2006 Order.

[13] Id. at 55-66, CA's 22 November 2006 Decision.

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

[14] Id. at 68-69, CA's 22 January 2007 Resolution.

[15] Id. at 42.

[16] Harborview Restaurant v. Labro, G.R. No. 168273, 30 April 2009, 587 SCRA 277, 281.

[17] Philippine Long Distance Telephone Company, Inc. v. Tiamson, 511 Phil. 384, 394 (2005).

[18] Triple Eight Integrated Services, Inc. v. National Labor Relations Commission, 359 Phil. 955, 964 (1998).

[19] Spouses Aya-ay v. Arpahil Shipping Corporation, 516 Phil. 628, 639 (2006).

[20] Oriental Shipmanagement Co., Inc. v. Bastol, G.R. No. 186289, 29 June 2010, 622 SCRA 352, 377.

[21] Tacloban Far East Marketing Corporation v. Court of Appeals, G.R. No. 182320, 11 September 2009, 599 SCRA 662, 670.

[22] Rollo, pp. 42-48.

[23] Seven Star Textile Company v. Dy, G.R. No. 166846, 24 January 2007, 512 SCRA 486, 498.

[24] Rollo, p. 112, Genebagan's 31 July 2002 Letter.

[25] Tenorio's 1 August 2002 Letter, id. at 113.

[26] New Ever Marketing, Inc. v. Court of Appeals, 501 Phil. 575, 586 (2005).

[27] Aliten v. U-Need Lumber & Hardware, G.R. No. 168931, 12 September 2006, 501 SCRA 577, 586.

[28] Baron Republic Theatrical v. Peralta, G.R. No. 1750525, 2 October 2009, 602 SCRA 258, 265.

[29] Henlin Panay Company v. National Labor Relations Commission, G.R. No. 180718, 23 October 2009, 604 SCRA 362, 369 citing Camua, Jr. v. National Labor Relations Commission, G.R. No. 158731, 25 January 2007, 512 SCRA 677, 682.

[30] Macahilig v. National Labor Relations Commission, G.R. No. 158095, 23 November 2007, 538 SCRA 375, 385.

[31] Supra note 23.

[32] La Rosa v. Ambassador Hotel, G.R. No. 177059, 13 March 2009, 581 SCRA 340, 347.

[33] Samarca v. Arc-Men Industries, Inc., 459 Phil. 506, 515 (2003).

[34] Hodieng Concrete Products v. Emilia, 491 Phil. 434, 440 (2005) .

[35] Pentagon Steel Corporation v. Court of Appeals, G.R. No. 174141, 26 June 2009, 591 SCRA 160, 173.

[36] Rollo, pp. 48-50.

[37] Aklan Electric Cooperative, Inc. v. National Labor Relations Commission, 380 Phil. 225, 237 citing Philippine Airlines, Inc. vs. NLRC, G.R. No. 117038, 25 September 1997, 279 SCRA 445, 458.

[38] Seven Star Textile Company v. Dy, supra note 23 at 497.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

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.