



Republic of the Philippines  
**Supreme Court**  
Manila

SECOND DIVISION

**TEMIC AUTOMOTIVE  
(PHILIPPINES), INC.,**

Petitioner,

**G.R. No. 200729**

Present:

CARPIO, *J.*, Chairperson,  
BRION,  
DEL CASTILLO,  
MENDOZA, and  
LEONEN, *JJ.*

- versus -

**RENATO M. CANTOS,**

Respondent.

Promulgated:

SEP 29 2014 *MANABALOG/Subjecto*

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**DECISION**

**BRION, *J.*:**

We resolve the present petition for review on *certiorari*<sup>1</sup> which seeks the reversal of the decision<sup>2</sup> dated September 28, 2011 and resolution<sup>3</sup> dated February 16, 2012 of the Court of Appeals (CA) in CA-G.R. SP No. 117171.

**The Antecedents**

On March 9, 2009, respondent Renato M. Cantos (*Cantos*) filed a complaint for illegal dismissal against petitioner Temic Automotive (Phils.), Inc. (*Temic*) based in Taguig City and its General Manager (GM), Martin Wadewitz (*Wadewitz*).<sup>4</sup> Cantos started his employment with Temic on July 16, 1993 as Special Projects Officer of the company's Materials Department. Sometime in 1998, he was appointed Purchasing & Import-Export Manager (*Purchasing Manager*) of the Logistics Department and, on December 1, 2007, he was named

<sup>1</sup> *Rollo*, pp. 3-68; filed under Rule 45 of the Rules Court.

<sup>2</sup> *Id.* at 74-99; penned by Associate Justice Ramon A. Cruz, and concurred in by Associate Justices Jose C. Reyes, Jr. and Antonio L. Villamor.

<sup>3</sup> *Id.* at 101-102.

<sup>4</sup> *Id.* at 191-192.

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Warehouse & Import-Export Manager (*Wimpex Manager*), the last position he held before he was allegedly dismissed illegally.

Temic is a member firm of Continental Corporation, a multinational company (with head office in Germany), with over sixty facilities worldwide. It is engaged in vehicle safety applications, comfort and powertrain, as well as in the networking of active and passive driving systems.<sup>5</sup> In September and December 2008, a team from the head office audited Temic's operations. The audit team allegedly discovered several irregularities, particularly with respect to Temic's purchasing transactions supposedly attended by "fraudulent activities."<sup>6</sup> Some purchase orders (*POs*), it was claimed, were ensured to go to some suppliers, thereby systematically avoiding a competitive tender process. Temic believed the irregularities could only have happened with the participation of personnel in the Purchasing and Manufacturing departments. It stressed that initial findings indicated that Cantos, as former Purchasing Manager, "was likely involved in said transactions."<sup>7</sup>

On December 11, 2008, Temic issued a Show Cause and Preventive Suspension Notice<sup>8</sup> to Cantos, requiring him to explain in writing several infractions which he allegedly committed during his stint as Purchasing Manager. He was charged principally with having violated Temic's procedures on purchases, particularly the Purchase Activities in System, Application, Products in Data Processing (FV 9-F0081) and the Non-Production/Indirect Material Purchasing Procedures (FV 9-F0158).

**Allegedly, Cantos failed to meet the required number of purchase quotations, in violation of paragraph 10.6.1 of FV 9-F0158 under which purchases of all articles must conform with Continental Temic Electronics (Phils.), Inc. (CTEPI) Procurement Policy and that of Temic as a general rule.<sup>9</sup>** Cantos would claim<sup>10</sup> that from 2005 to early 2008, he was tasked to also serve the Purchasing Department of CTEPI (without additional compensation), a sister firm of Temic located in Calamba, Laguna and that it was in relation with his work in CTEPI that his dismissal was chiefly based. He would also claim that the purchasing procedures are essentially the same for CTEPI and for Temic, except that in CTEPI's case, the signature of the GM is not required for the **Process Deviation Temporary Authority (PDTA)**.

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<sup>5</sup> Id. at 244; Temic's Position Paper, p. 4, par. 1.

<sup>6</sup> Id. at 246-248; Temic's Position Paper, pp. 6-8.

<sup>7</sup> Id.

<sup>8</sup> Id. at 212-217 and 485-490.

<sup>9</sup> Id. at 212; Item A, par. 10.6.1 of FV 9-F0158.

<sup>10</sup> Id. at 203; Cantos' Position Paper, p. 11, par. 21.

Under par. 10.6.1 of FV 9-F0158, before a purchase is made in Temic, quotations must be secured based on the purchasing value as follows: (1) □1.00-□50,599.00 (1 quotation/bid); (2) □51,000.00-□200,999.00 (min. 2 quotations/bids); and (3) □201,000-above (min. 3 quotations/bids). **Cantos allegedly allowed the proliferation of deviations from the established procedures and resorted instead to the PDTAs favoring suppliers Globaltech Automation, Inc. (Globaltech) and Maxtronix, Inc. (Maxtronix) without a valid reason and despite the lapse of a substantial lead time (up to three months between the date of receipt of the quotation and date of validity of the PDTA). Under both the Temic and CTEPI purchasing procedures, the acquisition of machines without the three quotations/bids is allowed through the PDTA.**

Temic maintained that by favoring Globaltech and Maxtronix, Cantos violated the provisions of pars. 10.6.1 and 10.6.3 of FV 9-F0158 requiring that “*in general, [d]ecision has to be made in favor of the accredited supplier/vendor or bidder with the lowest total cost, based on the fulfillment of the specification,*” insinuating that the two suppliers were not accredited. As none of the PDTAs was approved and signed by the GM, Cantos was also charged of deviating from the normal protocol in the tender process (par. 10.6.3 of FV-9-F0158) which requires that the PDTA should be signed by the department manager, senior manager, purchasing manager, controlling manager and GM.

Additionally, Cantos was charged with the: (1) disappearance of optional items supposed to be part of purchase orders; (2) engagement of customs brokers **Airfreight 2100** and **Diversified Cargo** without contracts; (3) unauthorized engagement of personnel of the two customs brokers to work for Temic; and (4) failure to consolidate deliveries from the same point of origin, resulting in higher costs for the company. Cantos supposedly also violated the Employee Handbook and Code of Discipline, particularly Group II on Insubordination, No. 9 and Group III on Fraud, Acts of Dishonesty and/or Breach of Trust, No. 14, and the Code of Conduct on Personal Ethics provisions on “suppliers,” “internal controls” and “conflict of interest.”

On December 12, 2008, Cantos asked for copies of documents he considered necessary for his reply to the show-cause notice,<sup>11</sup> but he was given only copies of the POs. He was advised that the other documents were “irrelevant” or “can be presented at the proper time if deemed necessary by the company.”<sup>12</sup>

Cantos submitted his explanation on December 18, 2008.<sup>13</sup> The salient points of the submission are as follows:<sup>14</sup>

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<sup>11</sup> Id. at 218-219.

<sup>12</sup> Id. at 220-221.

<sup>13</sup> Id. at 222-226.

<sup>14</sup> Id. at 197-198; Cantos’ Position Paper, pp. 5-6.

1. There are three instances when a deviation from the three-quotation requirement is allowed and they are: (a) when skeleton agreements or global contracts are available; (b) when “accredited suppliers/vendors are approved;” or (c) when there is an immediate need for the item to be purchased. The POs in question which number only twelve (12),<sup>15</sup> out of more than thirty thousand (30,000)<sup>16</sup> processed during his tenure as Purchasing Manager, were all covered by duly-accomplished PDTAs.

2. He was not to blame for the missing optional items because he handled only the purchasing aspect of the transactions. The items were delivered to Temic’s Receiving Section to determine whether they are complete and then sent to the end-user department which determines if the deliveries are indeed complete and, when an item is missing, informs the Purchasing Department about it. He never received information on missing deliveries.

3. The contracts with Airfreight 2100 and Diversified Cargo were just awaiting the signatures of the customs brokers. Said contracts were upon the initiative of Temic management who had been dealing with the two customs brokers even before he became head of the Imports-Exports Department.

4. The hiring of the personnel of the two customs brokers was at the behest of his superior Rosalie Isaac (*Isaac*) and former Warehouse Manager Antonio Gregorio in order to respond to Temic’s need for additional manpower without incurring the costs usually entailed for regular employees.

5. The non-consolidation of shipments coming from the same point of origin happens only when the other shipments are under DDU or DDP terms or when the delivery charges are for the account of the suppliers. During his tour of duty, he significantly lowered shipment costs by reducing evening shipments, thus avoiding special customs fees for night or backdoor releases.

Temic then conducted an administrative investigation<sup>17</sup> where Cantos appeared, together with his counsel. Cantos believed he was able to establish his compliance with Temic’s procurement procedures during his term as Purchasing Manager and was confident he would be found innocent of the charges against him.<sup>18</sup> Even so, he bewailed Temic’s suspicion, aired during the investigation, that he connived with CTEPI’s Raul Navarro (*Navarro*), Senior Manager for Manufacturing, and Navarro’s subordinate, Arnold Balita (*Balita*), Process Engineering &

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<sup>15</sup> Only eleven (11) POs as enumerated in the show-cause notice.

<sup>16</sup> *Rollo*, p. 155, Cantos’ Petition for *Certiorari*, p. 9, par. 24.

<sup>17</sup> *Id.* at 484; attendance sheet for the administrative hearing on January 23, 2009.

<sup>18</sup> *Id.* at 199; Cantos’ Position Paper, p. 7, last paragraph.

Maintenance Manager, as well as Globaltech and Maxtronix, in favoring the two suppliers' bids.

Cantos explained that sometime in 2008, Temic's former foreign expatriate GM, Eynollah Rahideh (*GM Rahideh*), was audited due to a conflict of interest incident involving the planned purchase of a FUJI NXT machine from Japan for ₱30,000,000.00. The purchase was cancelled and transferred to a European firm, FUJI-Germany, where his son worked. GM Rahideh suspected Navarro and Balita to have given the information to the head office in Germany about the incident. Cantos was asked by the head office for copies of documents on the planned purchase. He complied with the request and since then he had never been in good terms with GM Rahideh.

Thereafter, according to Cantos, rumors circulated that Navarro and Balita were conniving with Globaltech and Maxtronix for the two suppliers to corner Temic's equipment purchases, for a commission. Then, word spread that Cantos was complicit with the alleged fraudulent act, despite the fact that he was not close to Navarro and Balita.

In October 2008, flowers for the dead were sent to Temic's Purchasing Manager, Gemma Ignacio (*Ignacio*) who had taken over Cantos' position as Purchasing Manager. Navarro and Balita were suspected to be behind the sending of the flowers. Ignacio allegedly tried to get back at the two, but she was pre-empted by their resignation. She thus trained her attention on Cantos whose position as Wimpex Manager she coveted.

The new foreign expatriate GM, Wadewitz, took the cudgels for Ignacio who had assumed the position of Wimpex Manager. Wadewitz wanted Cantos to provide the company information about the "fraudulent activities" of Navarro and Balita, but since Cantos had no knowledge of their activities, he could not tell Temic anything. This proved to be his undoing as he was dismissed for charges that he claimed remained unsubstantiated.

On February 16, 2009, Temic issued a notice of termination of employment<sup>19</sup> to Cantos, with immediate effect, on grounds of loss of trust and confidence. **It stressed that while Cantos initially denied any wrongdoing, he eventually admitted having bypassed some purchasing procedures and/or local controls, although allegedly due to simple oversight on his part.** It added that after a careful deliberation and based on his own admission, as well as the evidence, it had been established that he committed the acts he was charged with.

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<sup>19</sup> Id. at 232-234.

### The Compulsory Arbitration Rulings

In a decision<sup>20</sup> dated November 27, 2009, Labor Arbiter Jaime M. Reyno (*LA Reyno*) dismissed the complaint for lack of merit. LA Reyno declared that Cantos, a managerial employee, had lost the trust and confidence of his employer for the various infractions he committed as company Purchasing Manager.

Cantos appealed the dismissal. Through its decision<sup>21</sup> of July 30, 2010, the National Labor Relations Commission (*NLRC*) affirmed LA Reyno's ruling and dismissed the appeal. Cantos then moved for reconsideration, but the NLRC denied the motion,<sup>22</sup> prompting him to seek relief from the CA by way of a petition for *certiorari* under Rule 65 of the Rules of Court.

### The CA Proceedings

Cantos argued before the CA that the NLRC committed grave abuse of discretion in upholding his dismissal. He maintained that he committed no act that violated the purchasing procedures of either CTEPI or Temic since both procedures allow the acquisition of machines from a supplier even without the three-quotations/bids requirement, through the due accomplishment of PDTAs. Contrary to the pronouncement of the NLRC, he never admitted violating the company rules on purchases as there was no proof of his wrongdoing. He decried the absence of the minutes of the investigation since only an attendance sheet was presented in evidence.<sup>23</sup>

He pointed out that his supposed admission was mentioned only in Ignacio's affidavit.<sup>24</sup> He disputed the probative value of the affidavit because it came from a company official who had been hostile to him, rendering her declarations suspect; no other employee corroborated her story and she merely "parroted" the words used in the termination-of-employment letter<sup>25</sup> issued to him by Temic through Human Resource Manager Artemio Del Rosario (*Del Rosario*).

For its part, Temic argued that the NLRC correctly ruled that the complaint is devoid of merit as Cantos patently violated the company's purchasing procedures. It maintained that he was caught red-handed in the act and his belated presentation of separate purchasing rules for CTEPI and Temic would not do him any good as the documents should have been presented as early as during the administrative investigation.

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<sup>20</sup> Id. at 688-696.

<sup>21</sup> Id. at 698-708; penned by Commissioner Nieves E. Vivar-De Castro and concurred in by Commissioners Benedicto R. Palacol and Isabel G. Panganiban-Ortiguerra.

<sup>22</sup> Resolution dated September 15, 2010.

<sup>23</sup> *Supra* note 17.

<sup>24</sup> *Rollo*, pp. 320-324.

<sup>25</sup> Id. at 232-234.

It argued that Cantos cannot rely on mere unsubstantiated arguments to refute the valid and admissible evidence it presented. It insisted that he was afforded due process before he was dismissed.

In its decision under review, the CA granted the petition. It reversed the NLRC rulings and declared that Cantos had been illegally dismissed. It found no valid cause for his dismissal and he was not accorded due process. Consequently, the CA ordered Temic to pay Cantos full backwages and separation pay (in lieu of reinstatement since it is no longer viable), moral and exemplary damages, plus attorney's fees. However, it absolved Wadewitz from liability for Cantos' dismissal as no malice or bad faith on his part was "sufficiently proven."<sup>26</sup>

While the CA noted that Cantos occupied a position of trust and confidence as Purchasing Manager (so as to satisfy one of the requisites of a dismissal for breach of trust), it found that Temic "utterly" failed to establish the requirements under the law and jurisprudence for his dismissal on that ground. It noted that the principal charge Temic lodged against Cantos arose from his violation of its purchasing procedures (FV 9-F0158), yet it adduced in evidence POs for CTEPI, an entity separate and distinct from it and had a different set of purchasing procedures.

The CA stressed that nowhere in the records could evidence be found showing that Cantos deliberately failed to secure at least three quotations (under par. 10.6.1 of FV 9-F0158) for the supply of equipment covered by the eleven (11) POs. It upheld his position that there are exceptions to the rule and that he relied on this excepting clause for the PDTAs in question. The CA further pointed out that Temic failed to prove its allegation that the purchases were not from accredited suppliers or bidders with the lowest total cost. It also faulted Temic for blaming Cantos for not securing the GM's approval (signature) for the subject PDTAs as the GM's signature is not required for CTEPI purchases, although it is a requirement for Temic PDTAs.

The CA disagreed with the NLRC's finding that based on the minutes of the administrative hearing, Cantos admitted having violated company rules. The "minutes," the CA clarified, were a mere attendance sheet.<sup>27</sup>

In sum, the CA concluded that Temic's charges against Cantos "were never substantiated by any evidence other than the barefaced allegations in the Affidavit of Ignacio which must be taken with a grain of salt considering that she is an employee of the company who harbored hostility against [the] petitioner x x x."<sup>28</sup> The CA believed that

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<sup>26</sup> Id. at 96.

<sup>27</sup> Id. at 92.

<sup>28</sup> Id. at 92.

Cantos' "imputed guilt" was based on Temic's claim that he was complicit in the "anomalous transactions of CTEPI employees Balita and Navarro,"<sup>29</sup> but which had never been proven.

On the due process issue, the CA found Temic to have "almost" complied with the procedural requirements under the law<sup>30</sup> as indicated by the following: (1) a show-cause notice to Cantos of the charges against him; (2) conduct of an administrative investigation on said charges; and (3) a notice of termination of his employment. Nonetheless, it still found Temic's compliance insufficient since charges B, C, D and E in the show-cause notice, were not stated with particularity.<sup>31</sup>

### **The Petition**

Temic seeks a reversal of the CA judgment for being contrary to law and jurisprudence. It contends that the appellate court should have accorded respect to the labor tribunals' rulings because they were supported by overwhelming evidence consisting of affidavits of key officers and pertinent documents as compared with Cantos' bare assertions. It submits that Cantos affirmed that he knew the company's purchasing procedures fully well, having co-authored the procedures himself. It adds that when asked by the investigating committee about his acts being violative of the company procedures, he made an admission that they were, but said that it was merely due to oversight.

### **The Case for Cantos**

By way of a Comment,<sup>32</sup> Cantos asks for the petition's dismissal for lack of merit.

He argues that the CA committed no error in finding that Temic failed to afford him due process on account of its refusal to provide him with copies of relevant documents he needed in his defense, especially the purchasing procedures of both Temic and CTEPI which Temic dismissed as irrelevant. Through his own efforts, however, he was able to secure a copy each of Temic's and CTEPI's purchasing procedures and accordingly submitted copies of the documents to LA Reyno, but the latter rejected the documents for late submission.<sup>33</sup> Further, he insists that Temic also failed to prove that there was a valid cause for his dismissal.

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<sup>29</sup> Id.

<sup>30</sup> Id. at 82.

<sup>31</sup> Id. at 215-216.

<sup>32</sup> Id. at 969-986; filed on June 25, 2012.

<sup>33</sup> Id. at 688-696.



Cantos urges the Court to make Temic accountable for its refusal to furnish him copies of the purchasing procedures because the documents are material to his defense that he did not violate Temic's purchasing procedures. He maintains that all the PDTAs and POs for which he was charged pertained to CTEPI, a distinct and separate corporation from Temic. He points out that the set of procedures for Temic is pre-numbered 9,<sup>34</sup> whereas, that for CTEPI is pre-numbered 8.<sup>35</sup> He bewails Temic's resorting to "foul trickery" when it denied him access to the documents he was asking, the obvious reason being the fact that under Temic's purchasing procedures (par. 10.6.3.2 of FV 9-F0158 in relation to par. 10.6.3.2.5),<sup>36</sup> a PDTA has to be signed by the GM; whereas, it is not a requirement under CTEPI's purchasing procedures (par. 10.6.3.1 of FV 8-F0007).<sup>37</sup>

He contends that Temic was not telling the truth when it alleged that Globaltech and Maxtronix from whom the machines covered by questioned PDTAs were purchased are not Temic accredited suppliers, the truth being that Temic and CTEPI had long been buying machines from the two suppliers even before he was hired by Temic. In fact, he adds, the items covered by the subject PDTAs were **repeat orders** and "many earlier purchases from these companies" were made "in the past without requiring three (3) prior bidders, and the [p]etitioner never raised a howl about them."<sup>38</sup>

Cantos further contends that Temic singled him out for dismissal at all costs with respect to the PDTAs in question, to the extent of resorting to misrepresentations, denying him access to relevant documents and passing off generalizations as evidence in the form of affidavits of its key officers, such as Ignacio and Del Rosario,<sup>39</sup> to pin him down. He asserts that Temic is aware, as it is written in the purchasing procedures of both Temic and CTEPI, that a PDTA starts from an end-user unit of either firm. The subject PDTAs, he explains, came from the Manufacturing Department headed by Navarro and Balita who were suspected to have received "kickbacks" from suppliers and yet, they were allowed to retire with full benefits. He laments that he, a mere conduit of the two, was dismissed and his benefits withheld, without proof that he profited from the POs covered by the PDTAs.

Moreover, Cantos points out, Navarro and Balita were not the only ones who participated in the execution of the PDTAs. He names Purchasing Officer Clave Campos (*Campos*), Controlling Manager Susan Aranilla (*Aranilla*) and their "over-arching" officer, his superior

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<sup>34</sup> Id. at 988-999.

<sup>35</sup> Id. at 1000-1009.

<sup>36</sup> Id. at 992.

<sup>37</sup> Id. at 1034.

<sup>38</sup> Id. at 978.

<sup>39</sup> Id. at 293-294.

Isaac, who all took part in consummating the transactions covered by the subject PDTAs, but the said employees were never investigated, let alone charged. Neither was there evidence that Temic filed charges against Globaltech and Maxtronix for the damage that it caused the company, as it claims, resulting from the questioned POs.

Cantos takes exception to Temic's submission that his "sterling sixteen (16) years of service" for the company should work against him because with such a long exemplary tenure with the company, he should not have deliberately violated the company's purchasing procedures. He stresses that one year after he allegedly participated in the purported anomalous purchase transactions, Temic recognized his excellent service, evidenced by its letters of commendations which the CA acknowledged.<sup>40</sup>

In fine, Cantos maintains that the burden of proof that his dismissal was for a just cause was hardly, if ever, discharged by Temic.

### **The Court's Ruling**

#### **We deny the petition for patent lack of merit.**

Like the CA, we are convinced that the NLRC committed grave abuse of discretion in upholding Cantos' dismissal. We find no substantial evidence in the records in support of its ruling. In *Ilagan v. Court of Appeals*,<sup>41</sup> we re-echoed the principle in employee dismissals that it is the employer's burden to prove that the dismissal was for a just or authorized cause. Temic failed to discharge this burden of proof in Cantos' case.

**First.** The POs Temic offered in evidence to prove the principal charge against Cantos pertained to its sister company CTEPI,<sup>42</sup> most of which, except for two POs, were made in 2005 and 2006 as listed in the show-cause notice. In the face of Cantos' submission that the two entities are separate and distinct from each other, it is puzzling that Temic did not bother to explain why it proceeded against Cantos based on purchase transactions entered into by CTEPI and not by itself; it did not also explain the precise relationship between it and CTEPI with respect to the POs in question. The reason for this, we believe, was Temic's undue haste to dismiss Cantos, such that it did not even check on the documentary support for the charges it laid against him.

Thus, and apparently without being aware that it was referring to CTEPI's purchasing procedures, it faulted Cantos for resorting to the

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<sup>40</sup> Id. at 93.

<sup>41</sup> 579 Phil. 661,667 (2008).

<sup>42</sup> *Rollo*, pp. 338-417.

PDTAs without the signature and approval of the GM. Under Temic rules, the GM approves and signs the PDTA; it is not a requirement under CTEPI rules. There is no basis therefore for making Cantos accountable for the absence of the GM's signature for CTEPI's PDTAs.

Also, Temic faulted Cantos for belatedly presenting to the LA the purchasing procedures of Temic and CTEPI to prove his point, which the labor official rejected for not having been raised during the company investigation.<sup>43</sup> This is rather unfortunate considering that the NLRC and the LAs are mandated by law to *"use every and all reasonable means to ascertain the facts in each case speedily and objectively and without regard to technicalities of law or procedure; all in the interest of due process."*<sup>44</sup> LA Reyno overlooked the fact that Cantos requested Temic for copies of documents which he considered vital to his defense.

**Second.** The foregoing notwithstanding and, as the CA declared, nowhere in the records is there evidence that directly pointed to Cantos as having deliberately violated the company procedures for the procurement of services and materials by allowing the **proliferation** of PDTAs.

**We agree with the CA pronouncement.** Other than the fact that Cantos was the Purchasing Manager at the time and was a signatory to the PDTAs in question, we find no other indication of his involvement in the execution of the subject PDTAs. More importantly, his position as Purchasing Manager and his signature appearing on the PDTAs do not prove that the PDTAs [eleven (11) out of thirty thousand (30,000) POs during his term as Purchasing Manager)] were executed in violation of Temic's purchasing procedures and that he was responsible for their execution.

Indeed, there is no evidence on record that it was Cantos who caused the execution of the subject PDTAs or that he did it for his personal gain or in collusion with Navarro and Balita of CTEPI's Manufacturing Department who were suspected to be involved in fraudulent purchase transactions — discovered by the audit team from Germany — in favor of certain suppliers. In fact, as the records show, Temic never refuted Cantos' submission that under the purchasing procedures of both Temic and CTEPI, a PDTA starts at an end-user department and that the PDTAs in question came from the Manufacturing Department as the end-user.

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<sup>43</sup> Id. at 693-694; LA Reyno's decision, pp. 6-7, last paragraph.

<sup>44</sup> LABOR CODE, Article 222 (formerly Article 221); renumbered by Republic Act No. 10151, "An Act Allowing the Employment of Night Workers, thereby repealing Articles 130 and 131 of Presidential Decree Number Four Hundred Forty-two, as Amended, otherwise known as the Labor Code of the Philippines."

Further, there were others who participated in the execution of the PDTAs — Purchasing Officer Campos, Controlling Manager Aranilla and Cantos’ superior Isaac — yet they were never investigated for their involvement in the supposed violation of the company’s purchasing procedures and meted a similar dismissal action. Again, Temic is silent with respect to this particular assertion of Cantos.

As we see it, the overwhelming evidence<sup>45</sup> which Temic claims supported the rulings of LA Reyno and the NLRC that Cantos was validly dismissed does not exist. This purported overwhelming evidence consists largely of generalizations, suppositions and bare conclusions of **Cantos’ direct involvement or participation in the alleged anomalous execution of PDTAs for eleven (11) POs, mostly between 2005 and 2006, which as the evidence shows,<sup>46</sup> even pertained to CTEPI and not to Temic.** We thus wonder how Temic arrived at its conclusion that **Cantos was caught red-handed to have patently violated the company’s clear policies, particularly its purchasing procedures, which he even co-authored.**<sup>47</sup>

**Third.** Temic’s contention that Cantos made an admission of guilt during the administrative investigation<sup>48</sup> likewise has no evidentiary support. The supposed “admission” could have sealed the company’s case against him had it backed up its claim with what transpired during the investigation. It could have been done by simply presenting the minutes of the investigation. No such investigation minutes were ever presented, only an attendance sheet.<sup>49</sup> This was a serious lapse on Temic’s part since in her affidavit,<sup>50</sup> Ignacio (a member of the investigating committee and who succeeded Cantos as purchasing manager) deposed that Cantos admitted that he violated the company’s purchasing procedures. In the absence of the minutes, we can understand why the CA dismissed Ignacio’s affidavit as nothing but “barefaced allegations.”<sup>51</sup>

To our mind, the minutes of the investigation are crucial, especially since Cantos has persistently denied that he made the admission of wrongdoing during the investigation. Ignacio’s affidavit, as well as that of Human Resource Manager Del Rosario in the same tenor,<sup>52</sup> cannot substitute for the minutes of the investigation whose absence in the evidence presented remains unexplained. Under the circumstances, we cannot accept the affidavits of Ignacio and Del

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<sup>45</sup> *Supra* note 1, at 23, Discussion of Arguments (I).

<sup>46</sup> *Rollo*, pp. 338-356, 358-379 and 381-390 (a sampling).

<sup>47</sup> *Id.* at 803; Respondents’ Memorandum before the Court of Appeals, ARGUMENTS, I, A and B.

<sup>48</sup> *Supra* note 1, at 19; Petition, p.17, par. 14.

<sup>49</sup> *Supra* note 17.

<sup>50</sup> *Supra* note 24.

<sup>51</sup> *Supra* note 2; CA Decision, p. 18, last paragraph.

<sup>52</sup> *Rollo*, pp. 293-295.

Rosario as evidence of Cantos' purported admission that he violated Temic's purchasing procedures.

**In sum**, we reiterate and emphasize that the NLRC committed grave abuse of discretion in validating the dismissal of Cantos as we find no substantial evidence in support of this pronouncement. We thus find the due process question academic.

In conclusion, we quote with approval the following CA observation:

**xxx [the petitioner] did not commit any act which was dishonest or deceitful. He did not use his authority as the Purchasing Manager to misappropriate company property and derive benefits therein nor did he abuse the trust reposed in him by respondent Temic with respect to his responsibilities. There was no demonstration of moral perverseness that would justify the claimed loss of trust and confidence attendant to [the] petitioner's job. Temic failed to adduce any proof that [the] petitioner ever profited from the transactions involved in the purchase orders. The supplies described in the purchase orders are still with the company even up to the time when petitioner's services were terminated. And neither was there evidence shown that the same deviates from the specifications of the company or has no more use to the company.**<sup>53</sup> (Emphases supplied)

**WHEREFORE**, premises considered, the petition is **DENIED** for lack of merit. The assailed decision and resolution of the Court of Appeals are **AFFIRMED**.

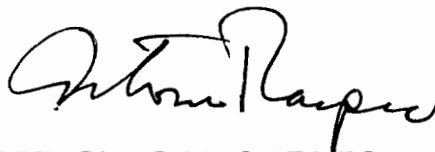
Costs against petitioner Temic Automotive (Phils.), Inc.

**SO ORDERED.**



**ARTURO D. BRION**  
Associate Justice


**WE CONCUR:**




**ANTONIO T. CARPIO**  
Associate Justice  
Chairperson

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<sup>53</sup> *Supra* note 2, at 92; CA Decision, pp. 19-20, last paragraph, citing *M+W Zander Philippines, Inc. v. Enriquez, Trinidad M.*, G.R. No. 169173, June 5, 2009, 588 SCRA 590.

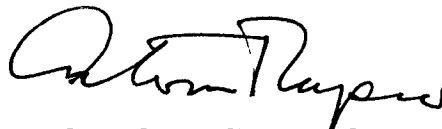
  
**MARIANO C. DEL CASTILLO**  
Associate Justice

  
**JOSE CATRAL MENDOZA**  
Associate Justice

  
**MARVIC M.V.F. LEONEN**  
Associate Justice

### **C E R T I F I C A T I O N**

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

  
**ANTONIO T. CARPIO**  
Acting Chief Justice