

SELF HELP GROUP GRADING CRITERIA

Sl.No		Good	Average	Poor	Very poor	Objectively Verifiable Indicators	Remarks
1.	Vision, Mission, and Goals	<p>Discussed and established in the SHG with the participation of all members</p> <p>Written down and easily available on request (may also be displayed prominently in the community hall)</p> <p>Known to all members</p> <p>Members make efforts to see that all their actions are in consonance with their Vision, Mission, and Goals</p>	<p>Discussed and established in the SHG with the participation of around 75% or more members</p> <p>Written down but may or may not be displayed or easily available.</p> <p>Not all members are familiar with it.</p> <p>SHG activities are not consciously aimed at achieving the Vision and Goals</p>	<p>May be discussed, but not well established and written down.</p> <p>Even if established, and written down, it is more due to the effort made by staff.</p> <p>Less than 50% of the members are familiar with it. Only the representative may know what it is.</p> <p>Aligning SHG activities with the Vision and Goals is absent.</p>	<p>Not discussed and not established.</p> <p>Some group members may be aware that other SHGs are engaged in this process, but even this knowledge does not interest them to do the same in their own SHG.</p> <p>Even if staff initiate discussions, participation by members is poor.</p>	<p>Discussions with members</p> <p>Discussions with Project Staff</p> <p>Minutes Book</p> <p>Vision, Mission, and Goal Statement, if any available for reference.</p>	

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2.	Size of SHG	15 to 20 members	21 to 30 members	31 to 35 members	36 and more members	Admission Book Attendance Book Minutes Book	Small sized groups function more efficiently. Meetings & training programmes also become easier. For bank linkages also, size has to be less than 20.
3.	Economic status of members • Newer SHGs (0 to 3 years) • Older SHGs (over 3 years)	All members are poor, from the lowest economic stratum of the village More than 80% of the members show improved economic status. Few continue as poor but none are poorest	A mixture of better off and poor members. Poorest are few in number More than 50% of the members show improved economic status. Some are poor, some continue to be poorest	Better off members are more in number. Few are poor and none are poorest Less than 50% of the members show improved economic status. Status of many poor and poorest members unchanged.	All members are from the better off sections of the village Hardly any improvement in the economic status of members since the time they formed the SHG	Interactions with members Observations Interactions with members Observations Reports and case studies	There is no distinct cut-off period from when a new group becomes an older group. However, as the group matures, more and more members must be better-off than when they first started. To assess this becomes easier if baseline data on members is collected when the SHG is new.
4.	Meetings • Frequency	Weekly meetings Regularly held	Fortnightly Regularly held	Fortnightly or weekly but not so regularly held	Monthly meetings Not very regularly conducted	Attendance Book Minutes Book	More than frequency, regularity should be given weightage

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	• Time and place	Fixed day, time, & place; known to all and followed	Fixed day, time, & place. Known but not well maintained	Fixed day, time, & place. Not clear to all and not kept	These details may be fixed or not. Not many know or care	Minutes Book Discussions with members	Fixed meeting days & times are important indicators of discipline
5.	Attendance of members at meetings	Average attendance 95% or more per meeting. Absence only with prior intimation	Average attendance around 75% or more. Absence with and without intimation. Explanations maybe given later	Average attendance around 60%. No system of prior intimation. No explanations asked or given	Average attendance below 60%. No system of prior intimation. No explanations asked or given	Attendance Book Minutes Book Discussions with members	
6.	Participation of members in decision making	Issues fully understood by all members. Decisions fully collective by all members	Issues understood by representatives/promoters and some members, who also influence decisions	Understanding of issues and decision taking limited to representatives and one or two members. Staff also influence decisions	High dependence on Promoter and/ or on Staff to take all decisions	This has to be assessed through discussions with members. Minutes Book to be referred to identify issues.	
7.	Participation of members in responsibility sharing	All members regularly rotate and share responsibilities. Representatives & cheque signatories changed each year	Cheque signatories & representatives not changed for 2 years. Responsibilities for other tasks rotated among same few members	Cheque signatories & representatives not changed for more than 2 years. Same people take responsibility for other tasks also, or depend on Promoter & Staff	No change in cheque signatories or representatives since inception. High dependence on Promoter and/or Staff even to initiate other tasks that involve responsibilities.	Minutes Book Interactions with members	The age of the SHG should be taken into account in making this assessment.

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8.	Rules and Regulations	Exist. Known to all. Understood by all. Followed by all. Penalties enforced. for breaking rules.	Exist. Known to most. Understood by most. Not fully followed. Penalties enforced in some but not all cases.	Exist. Not many members are aware, since rules are not followed and there are no penalties for violating them.	Only Promoter and Staff say that they exist. Members do not know of them. So the question of following them and enforcing penalties never arises.	A separate Book <u>or</u> the first part of Minutes Book <u>or</u> rules recorded in Minutes as and when framed. Discussions with members Ledger, to check if fines are collected	Discussions with members are important in making this assessment, since many SHGs may not have written down the rules but make them, follow them, and enforce penalties.
9.	Savings	SHG fixes a minimum (but not maximum) amount to be saved by each member each month. More than 95% members comply by saving atleast the minimum stipulated amount per month Usually atleast Rs.40/- per member per month	SHG fixes a minimum amount to be saved per member per month. Compliance is around 75%. Some save less than the minimum specified; some do not save each month. Usually atleast Rs.240/- per member per year	All members are aware that they have to save, but no minimum amount fixed. Only around 60% of the members actually save some money each month Average of around Rs.120/- per member per year	All members know about savings, since that is the starting point of the SHG. But less than 60% of the members actually save some money each month. Average of less than Rs.120/- per member per year	Individual Pass Books Savings Ledger	Regularity with which members are making savings can be given more weightage than the amount saved. (Ability to save is present - to a greater or lesser extent - in all members. Capacity to save may have seasonal variations, hence, average savings can be calculated over the year. As members mature, <u>willingness to save</u> may depend on the perceived benefits of saving in the SHG as against saving elsewhere or in non-cash forms)

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10.	Sanctioning of Loans	<p>Loan requests are debated in SHG meetings; details are known to all members. All members get a fair chance to borrow. Productive investments are emphasised more.</p> <p>Repayment terms and conditions are properly recorded.</p>	<p>Loan requests are brought to SHG meetings and discussed. All members get a fair chance to borrow. Productive investments are preferred but not encouraged.</p> <p>Repayment terms and conditions are made but not properly recorded.</p>	<p>Loan requests are made to Promoters and Staff. Though brought to the SHG, approval depends more on Promoter/ Staff, who may insist on productive loans even if other needs are critical.</p> <p>Repayment terms and conditions are made but not recorded.</p>	<p>Loan requests are routinely decided by Promoters/Staff. Some members get more favoured than others who are also in need. Members are indifferent to loan purposes of borrowers.</p> <p>Repayment terms are clear neither to the SHG nor to the borrowers.</p>	<p>Minutes Book</p> <p>Loan Ledgers</p> <p>Discussions with members</p>	<p>Age of SHG is also to be considered in this assessment.</p> <p>"Non-productive" needs are often critical and may lead the poor into the clutches of the moneylender.</p> <p>Hence, their approval in the SHG is not bad, but an SHG which only lends for such purposes is indicative of either inactive members or better-off people.</p>
11.	Loan Repayments	<p>More than 95% repayment against demand and in accordance with pre-established terms. Rescheduling of repayment time only under extreme circumstances.</p>	<p>75% or more against demand and in accordance with pre-established terms. Repayment schedules changed without adequate reason.</p>	<p>60% to less than 75%. Not much evident effort to improve recovery.</p>	<p>Below 60%. Members are neither aware nor concerned to improve the situation.</p>	<p>Cash Book</p> <p>General Ledger</p> <p>Loan Ledger</p> <p>Minutes Book</p> <p>Individual Pass Books (loan section)</p>	
12.	Rotation of Common Fund	<p>More than 100%</p>	<p>75% or more, but less than 100%</p>	<p>50% or more but less than 75%</p>	<p>Less than 50%</p>	<p>Bank Pass Book</p> <p>General Ledger</p> <p>Loan Ledger</p> <p>FD Receipts, etc.</p>	

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13.	Idle Capital	Nil. All money is loaned or intelligently invested.	Upto 25% of total funds.	Upto 50% of total funds.	More than 50% of total funds.	Bank Pass Book General Ledger Loan Ledger FD Receipts, etc.	To be assessed over a 12-month period & not just based on Pass Book balance on date of review. Short duration FDs need not be regarded as idle capital, as also investment in RDs & other such schemes.
14.	Cash handling	Regularly rotated among all members on a designated basis.	Responsibility only taken by few members and representatives.	Only fixed representatives or Promoters. No rotation.	Promoters or Staff only.	Minutes Book. Discussions with members.	
15.	Resource mobilisation	Successful efforts made to mobilise funds through bank linkages, govt. schemes, local mobilisations, etc.	Efforts made to mobilise resources from members & community. No institutional links other than Project.	Only members are approached for small contributions. Project is seen as the only other source for funds.	No efforts made to mobilise resources other than expecting the Project to fulfil all demands.	Minutes Book Cash Book General Ledger L.C.Register Discussions with members	Age of the group must be kept in mind while making this assessment.
16.	Book keeping and Documentation	All books <u>uptodate</u> and correctly maintained. Bookwriter from within SHG or hired locally and paid by SHG <u>out of its own funds</u> . All books in safe custody of SHG (not in Project Office) All books readily	All books opened but only some are maintained and updated. Sketchy documentation of Minutes, so Minutes Book cannot be called as 'Mother Book'. Bookwriter not very competent. All members not	Major books only opened. Not well maintained or regularly updated. Members are dominated by bookwriter, who may or may not be fully competent in book keeping. Books in custody of book writer, even if	Very few (basic minimum) books opened. Incomplete documentation, & books updated only due to staff effort. In some cases, staff are writing the books. No concern for the safety of books and	Physical verification of books Discussions with bookwriters and members	The books to be maintained are <ul style="list-style-type: none"> • Admission Book • Minutes Book • Attendance Book • Cash Book • General Ledger • Savings Ledger • Loan Ledger • Bank Pass Book • Individual Pass Books

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		available for scrutiny of members and other authorised persons All members aware of importance of book-keeping	fully aware of the importance of book keeping. Books are in safe custody with SHG and available for scrutiny.	not a member of the SHG. Supporting bills, etc. often not traceable. Staff effort is more in ensuring that atleast few basic books are kept.	records. Most members not even aware of the need for book keeping and where the books are. Supporting documents frequently not traceable.		<ul style="list-style-type: none"> Receipts Vchrs. Payments Vchrs L.C.Register Stock Book (if applicable)
17.	Audits	Need for audit understood by SHG. Annual Audits conducted and paid for by SHG from own funds. Audit Reports discussed in presence of all members. Audit actions taken. Audit Reports properly filed and readily available.	Need for audit not fully understood, but SHG co-operates with Project when audits are arranged and even pays for it. Audit Reports properly filed. Staff initiative needed to discuss audit findings and take appropriate action. .	Need for audits not understood. Staff have to make the efforts to get things ready for audit, arrange for it,& pay for it atleast in part. Compliance level low. Findings are not discussed unless staff insist. Not much action taken on the findings.	Audit concept itself is not clear, much less the need for audit. Only staff and book writer are involved in the entire audit process. Findings may be read due to staff effort, but no one is interested to listen or to act on them. Compliance level very low.	Discussions with members and Project Staff. Minutes Book Previous Audit Reports and review notes, if any.	Audits reinforce the credibility of the SHG, and the fact that the SHG is an 'informal' group should not come in the way of conducting audits by competent persons. Chartered Accountants based in nearby towns can be engaged for this.
18.	Training programmes	Members are aware of the usefulness of training, and eager to participate. At times they even ask for it. Attendance at every training session is more than 90%. Members do not	Attendance at any given training session is around 75%. No cash compensations for attending training. Absent members	Average attendance at training programmes is around 50%. Absent members are neither censured nor fined. Staff have to put in repeated efforts to mobilise members.	Average attendance is less than 50%, that too, with a lot of staff effort. Absence at trainings is never a matter of concern. Members demand cash compensation	Discussions with members. Minutes Book Project training records.	Trainings are usually organised by the Project. All training arrangements including faculty, materials, and food are paid by the Project. However, members are not compensated for loss of wages, if any, to

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		expect cash compensations for attending training. Absent members may even be censured/fined. Recall of training contents is good.	may be censured but are rarely fined. Recall of training contents is partial.	Recall of training contents is partial. Attendance improves if cash incentives are given.	to attend training. Recall of training contents is very poor, even among those who have attended.		attend trainings. Partial payment for trainings by the SHGs is slowly being explored. MYRADA specifies 12 basic training topics for each SHG, spread over 18 to 24 months.
19.	Planning, Implementing, Monitoring, and Evaluating programmes	All members fully understand the need and the processes. Responsibilities are well distributed among members, and responsibly discharged.	Understanding of these processes and sharing of responsibilities is limited to some members and representatives, who do a reasonably good job.	Members take responsibility only if repeated pressure is brought on them by Staff. Then too, the representatives are expected to do most of the work. Output quality not upto expectations.	Not much interest in these processes Promoter/Staff have to bear almost all the load. Output quality depends only on them.	Minutes Book Case studies and reports, if any Discussions with members and Project Staff	Programmes are usually initiated by the Project, but a good SHG can get completely involved in all the processes including making sure that the programme fulfils its (the SHG's) agenda rather than the Project's agenda.
20.	Social Actions and Community Action Programmes	Self-initiated involvement, including budgeting, fund-raising (including Project contributions), planning, implementing, monitoring, and	Self-initiated involvement or good response to external initiative, but funding dependence may be more on the Project. Inadequate management and	No internal initiative. Responds only to external initiative. Therefore, agenda may also be based on external assessment of the need for such action, rather than	No internal initiative. Poor response to external initiative, unless all the funding is also taken care of by the external party. No concern for management and	Minutes Book Discussions with members	Since community action programmes involve money, the SHG may not always be able to achieve it on its own. Outside investments are frequently necessary. However, the <u>initiative</u>

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		follow-up. Programmes are initiated to serve the interests SHG members and the community.	follow-up	internally experienced by the SHG members themselves. Little involvement in management and follow-up.	follow-up		<u>to act</u> can very well come from the SHG.
21.	Education, Literacy, and Numeracy	<p>All SHG members know how to sign their own names (learnt after joining SHG)</p> <p>Atleast 70% members are able to read basic numbers (learnt after joining SHG)</p> <p>All members with children in school-going age are sending their children to school</p>	<p>70% members or more know how to sign their names (learnt after joining SHG)</p> <p>50% members or more know how to read basic numbers (learnt after joining SHG)</p> <p>75% members with school age children are sending their children to school</p>	<p>Around 50% members have learnt how to sign their own names.</p> <p>Around 30% members have learnt to identify basic numbers</p> <p>Around 50% members with school age children are sending their children to school</p>	<p>Less than 50% members know, or are even interested to know, how to sign their own names.</p> <p>Hardly anyone has learnt to identify basic numbers</p> <p>Less than 50% members with school age children are sending their children to school</p>	<p>Random tests with signatures and numbers</p> <p>Discussions with members.</p>	<p>Since many SHG members are either in the older age group or having to work long hours for wages, it is unlikely that they will attend literacy classes. But signing their names is both easy to learn and enhances confidence. Learning numbers is important. Sending children to school is MOST important.</p>