ABSTRACT
Throughout the education system, the ethics of grading continues to be a highly controversial issue. Grading system was introduced for self improvement of students; done by the teachers. But in Universities in Ethiopia (Under Developed Country) rather for self improvement it is taken as the assessment by the external bodies for evaluating them or for job recruitment. And due to the existence of ten grades there are lot of problems to students and teachers. The paper explain the basis of learning, importance of education, purpose of grading, students and teachers perspective of grading system followed in Ethiopia and ,impact of grading system on students. Towards the end of the paper we suggest an alternative system of grading that is followed by developing countries.

KEYWORD: Grading, self assessment, interest

REFERENCES