Empowerment is the most frequently used term in development dialogue today. It is also the most nebulous and widely interpreted of concepts. It has simultaneously become a tool for analysis and an umbrella concept to justify almost every conceivable development intervention. As a developing nation, our country has attached much importance to the empowerment of women. The various programmes initiated by the Central and State Governments for bringing rural women into the mainstream bear testimony to this. The present study makes an analysis of the micro financing programmes of GOs and NGOs and their impact on rural women empowerment, particularly in Central Kerala.

A multistage purposive random sampling technique has been used in this study. 700 beneficiaries were interviewed through a structured schedule to find out the impact of micro finance programmes on them. Several statistical tools were used for the analysis of the data. Apart from simple averages and percentages, Chi square test, ‘t’ test, One Way Analysis of Variance (ANOVA), Factor Analysis, and Multiple Linear Regression Analysis were used to analyse the data. Chi square test was performed to test the interdependence between variables. ‘t’ test and One way Analysis of Variance (ANOVA) were used for testing the differences in mean
values. Factor Analysis was used to identify the major contributing factors of empowerment. Regression analysis was carried out to identify the relevant and influencing variables and the magnitude of their influence on empowerment index.

The data analysis shows that programmes of GOs and NGOs have had tremendous impact on the economic, social, and psychological empowerment of rural women. Financial benefit forms the major motivating factor for membership in SHGs. Active participation and Income Generating Activities have made notable improvements in their lifestyle, decision-making capacities, communication skills, role in their families, and social status. Family size, annual family income, and duration of membership in GOs and NGOs are the major factors determining rural women empowerment. It is also found that the Empowerment Index varies between GOs and NGOs. It may be concluded that NGOs are performing better in terms of rural women empowerment than the GOs, particularly in Central Kerala.