

**Contribution of Capital Structure on the Growth of Savings and Credit Co-operative Societies' Wealth in Morogoro Municipality, Tanzania**

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The study involved 42 SACCOS in Morogoro Municipality, Tanzania, to assess the contribution of capital structure on the growth of SACCOS' wealth. The specific objectives were to: examine the effect of external financing on growth of SACCOS' wealth, assess the effect of internal financing on growth of SACCOS' wealth, determine the trends of growth for the previous seven years and assess the relationship between institutional strengths and growth of SACCOS' wealth. The study applied descriptive statistics and Pearson product - moment correlation Index analysis. The findings indicate that, Capital structure contributes very little to the growth of SACCOS' wealth. Also, external financing has statistical insignificant relationship with growth of SACCOS' wealth while internal financing has statistical significant relationship with growth of SACCOS' wealth. Trends of growth of SACCOS' wealth were at increasing and decreasing rates for the period of 2010-2016. It was also found that institutional strengths had statistical insignificant relationship with the growth of SACCOS' wealth. It is concluded that internal financing enhances the growth of SACCOS' wealth while external financing and institutional strengths do not enhance the growth of SACCOS' wealth. It is, therefore, recommended that formation of capital structure should be 100% of internal financing only. Also, members should increase their savings in line with the commitment of the government and other stakeholders to invest much so as to enhance the growth of SACCOS' wealth in Tanzania.