

ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC  
Form N-CSR/A  
December 18, 2003

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM N-CSR/A

CERTIFIED SHAREHOLDER REPORT OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-2151  
-----

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND, INC.  
-----

(Exact name of registrant as specified in charter)

65 Madison Avenue, Morristown, New Jersey 07960-7308  
-----

(Address of principal executive offices) (Zip code)

Thomas H. Dinsmore  
Ellsworth Convertible Growth and Income Fund, Inc.  
65 Madison Avenue  
Morristown, New Jersey 07960-7308  
(Name and address of agent for service)

Copy to:  
Martha J. Hays, Esq.  
Ballard Spahr Andrews & Ingersoll, LLP  
1735 Market Street  
Philadelphia, PA 19103-7599

Registrant's telephone number, including area code: 973-631-1177

Date of fiscal year end: September 30, 2003

Date of reporting period: September 30, 2003

Explanatory Note

The Registrant is filing this Amendment to its Certified Shareholder Report on Form N-CSR filed with the Securities and Exchange Commission on November 26, 2003 to provide the exact form of certification required by Rule 30a-2(a) of the Investment Company Act of 1940, as amended, and to comply with the new exhibit requirements of Item 10 of Form N-CSR. This Form N-CSR/A does not reflect events occurring after the filing of the original Form N-CSR, or modify or update the disclosures therein in any way other than as required to reflect the amendment described above.

ITEM 1. REPORTS TO STOCKHOLDERS.

Include a copy of the report transmitted to stockholders pursuant to Rule 30e-1 under the Act (17 CFR 270.30e-1).

ELLSWORTH CONVERTIBLE  
GROWTH AND INCOME FUND

[LOGO]

2003 Annual Report  
September 30, 2003

2003 Annual Report  
September 30, 2003

Ellsworth Convertible Growth and Income Fund, Inc. (the "Fund") operates as a closed-end, diversified management investment company and invests primarily in convertible securities, with the objectives of providing income and the potential for capital appreciation -- which objectives the Fund considers to be relatively equal, over the long-term, due to the nature of the securities in which it invests.

Highlights

Performance through September 30, 2003 with dividends reinvested

	9 Months -----	1 Year -----	5 Years -----
Ellsworth market value (a)	11.00%	10.81%	50.20%
Ellsworth net asset value (b)	10.92	14.02	33.88
Closed-end convertible fund average (b)	20.29	27.36	42.09
S&P 500 (a)	14.72	24.40	5.09
Russell 2000 (a)	28.60	36.54	44.01
Lehman Aggregate Bond Total Return Index (b)	3.78	5.41	37.83

Performance data represent past results and do not reflect future performance.

(a) From Bloomberg L.P. pricing service.

(b) From Lipper, Inc. Closed-End Fund Performance Analysis, dated September 30, 2003.

(c) Simple appreciation of index.

Quarterly History of NAV and Market Price

Qtr. Ended -----	Net Asset Values			Market Prices (AMEX, symbol)	
	High -----	Low ---	Close -----	High ----	Low ---
Dec. 02	\$8.06	\$7.51	\$7.94	\$7.90	\$6.95
Mar. 03	8.16	7.69	7.90	7.96	7.41
Jun. 03	8.71	7.95	8.58	8.42	7.52
Sep. 03	8.71	8.35	8.58	8.51	7.97

# Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

## Dividend Distributions (12 Months)

Record Date	Payment Date	Income	Capital Gains	* Corporate Deduction
----	----	-----	-----	-----
10/25/02	11/27/02	\$0.086	--	20%
2/13/03	2/27/03	0.075	--	4
5/15/03	5/29/03	0.070	--	4
8/14/03	8/28/03	0.070	--	4
		-----		
		\$0.301		

\* Percentage of each ordinary income distribution qualifying for the corporate dividend received tax deduction.

## ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

### To Our Shareholders

The economy is finally taking off. Most of the negative effects of the bursting of the Internet bubble in 2000 have washed through the financial markets and the economy. While we do not expect the kind of Gross Domestic Product (GDP) growth (7.2%) reported in the third quarter to continue, we do see GDP growth near 4% for 2004. Sustained growth at 4% would expand job creation and increase corporate profits. It also should help the equity markets, but may cause the bond market to falter as interest rates would be unlikely to drop and could rise.

The Fund's strategy since 1986 has been to be an equity investment that uses convertible securities to reduce risk and volatility. This strategy tends to outperform in bear markets and lag in bull markets. The Fund's overall performance for long cycles was rewarded by winning the 2002 Lipper Performance Achievement Certificates for five and ten years within its category of closed-end convertible funds through December 2002. The category of closed-end convertible funds followed by Lipper, Inc. is made up of ten funds (eight for five years and seven for ten years). For the calendar year 2003 through October 31, 2003, the Fund's performance has lagged its peers as we may have moved into a new bull market.

The open-end mutual fund industry has been caught up in a financial scandal involving market timing and late trading, which may adversely affect long-term investors in the funds implicated in the scandal. The publicly-traded closed-end fund format prevents the kind of trading activity at the center of the scandal from affecting the assets or diluting the interests of the shareholders in closed-end funds. Readers should note this is another positive attribute of the closed-end fund structure.

The Fund's website ([www.ellsworthfund.com](http://www.ellsworthfund.com)) contains press releases, dividend information and daily net asset values. The Closed-End Fund Association ([www.cefa.com](http://www.cefa.com)), of which the Fund is a member, is another source of information on many closed-end funds.\* Based upon data through October 31, 2003, Morningstar\*\* has rated the Fund's performance at four stars (above average) overall as measured on the "Quicktake Report" on their website. In addition, shareholders who wish to obtain a copy of the most recent report on the Fund issued by Standard and Poor's should contact us.

Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

At its October meeting the Board of Directors declared a dividend of 10.5 cents per share. The dividend consists of undistributed net investment income. This dividend will be payable on November 26, 2003 to shareholders of record on October 30, 2003.

The 2004 annual meeting of shareholders will be held in Bonita Springs, Florida on February 14, 2004. Time and location will be included in the Proxy Statement, scheduled to be mailed to shareholders on December 29, 2003. All shareholders are welcome to attend and we hope to see you there.

/s/ Thomas H. Dinsmore

Thomas H. Dinsmore  
Chairman of the Board

November 13, 2003

- \* The Closed-End Fund Association is solely responsible for the content of its website.
- \*\* Morningstar is a mutual fund analysis and statistical reporting service that reports on and rates most mutual funds. It is solely responsible for the content of its website.

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Largest Investment Holdings by underlying common stock

	Valu (Note -----
Washington Mutual, Inc.....	\$ 2,401
A financial services company that provides a diversified line of products and services to consumers and small to mid-sized businesses.	
Reinsurance Group of America, Inc.....	2,36
Through its subsidiaries, provides life insurance and reinsurance of asset-intensive products and financial reinsurance in the United States, Canada and various international markets.	
Church & Dwight Co., Inc.....	2,13
Produces sodium bicarbonate and sodium bicarbonate-based products. The Company sells its products primarily under the Arm & Hammer trademark, to consumers and to industrial customers and distributors.	
Ivax Corp.....	2,01
Researches, develops, manufactures and markets branded and generic pharmaceuticals in the United States and international markets. The Company also specializes in veterinary products and nutraceuticals.	
Lucent Technologies, Inc.....	1,89
Designs, builds and delivers a wide range of public and private networks, communications systems and software, and data networking systems. The Company also designs, builds and delivers business telephone systems and microelectronic components.	
Travelers Property Casualty Corp.....	1,83

Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

Provides a broad range of insurance products and services for the commercial and consumer markets.

School Specialty, Inc.....	1,83
Distributes non-textbook educational supplies and furniture for grades pre-kindergarten through 12.	
New York Community Bancorp, Inc.....	1,61
A holding company for New York Community Bank, a thrift, that operates through divisional banks in New York and New Jersey.	
ChevronTexaco Corp.....	1,53
Operates worldwide in oil and gas exploration, production, refining and marketing, and chemical manufacturing. (convertible from Devon Energy Corp. 4.90% and 4.95%, due 2008)	
The Interpublic Group of Companies, Inc. ....	1,49
An organization of advertising agencies and marketing service companies that operates globally in the sectors of advertising, independent media buying, direct marketing, marketing research and public relations.	
Total	\$19,12
	=====

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Major Industry Exposure

	% Total Net Assets -----
Financial & Insurance.....	10.9%
Pharmaceuticals.....	9.8
Banking/Savings & Loan.....	9.7
Retail.....	9.4
Telecommunications.....	7.7
Health Care.....	7.1
Energy.....	6.9
Technology.....	6.8
Aerospace & Defense.....	5.3
Entertainment.....	4.6
	-----
Total.....	78.2%
	=====

Major Portfolio Changes by underlying common stock

Six months ended September 30, 2003

ADDITIONS

REDUCTIONS

Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

Church & Dwight Co., Inc.	Analog Devices, Inc.
Comverse Technology, Inc.	Anixter International, Inc.
Doral Financial Corp.	General Mills, Inc.
General Motors Corp.	Medtronic, Inc.
Level 3 Communications, Inc.	Offshore Logistics, Inc.
Omnicare, Inc. (exchangeable from Omnicare Capital Trust I)	Oneok, Inc.
School Specialty, Inc.	Provident Financial Group, Inc.
STMicroelectronics, N.V.	Prudential Financial, Inc. (exchangeable from Prudential Financial)
Teva Pharmaceuticals Industries Ltd. (exchangeable from Teva Pharm. Finance B.V.)	STMicroelectronics, N.V.
UTStarcom, Inc.	UTStarcom, Inc.
Vishay Intertechnology, Inc.	WPP Group plc
The Williams Companies, Inc.	Xerox Corp.

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Portfolio of Investments September 30, 2003

Principal Amount or Shares -----		Ide
	ADVERTISING -- 3.8%	
\$1,550,000	The Interpublic Group Cos., Inc. 1.80% 2004 cv. sub. notes (NR).....	\$ 1
1,000,000	Lamar Advertising Company 2.875% 2010 cv. sub. notes (B2).....	1
1,000,000	Omnicom Group, Inc. 0% 2033 zero yield cv. notes 144A * (Baal).....	1
		3
		-
	AEROSPACE & DEFENSE -- 5.3%	
1,500,000	The Goldman Sachs Group, Inc. 1.00% 2009 exch. equity-linked notes * (Aa3) (exch. for General Dynamics Corp. common stock).....	1
750,000	L-3 Communications Holdings, Inc. 5.25% 2009 cv. sr. sub. notes 144A (Ba3).....	1
15,000 shs	Northrop Grumman Corp. 7.25% equity units *,** (NR).....	1
20,000 shs	RC Trust I 8.25% equity security units *,** (BB) (exch. for Raytheon Co. class B common stock).....	1
		4
		-

Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

		AUTOMOTIVE -- 2.5%	
40,000	shs	General Motors Corp. 6.25% series C cv. sr. deb. (Baa1).....	1
2,500,000		Lear Corp. 0% 2022 cv. sr. notes 144A (Ba1).....	1
			2
			—
		BANKING/SAVINGS & LOAN -- 9.7%	
15,000	shs	Commerce Capital Trust II 5.95% cv. trust pfd. 144A (Baa1) (exch. for Commerce Bancorp, Inc. common stock).....	1
5,000	shs	Commerce Capital Trust II 5.95% cv. trust pfd. (Baa1) (exch. for Commerce Bancorp, Inc. common stock).....	1
4,000	shs	Doral Financial Corp. 4.75% perpetual cumulative cv. pfd. 144A (BBB-)....	1
40,000	shs	National Australia Bank Ltd. 7.875% exch. capital units (NR).....	1
25,000	shs	New York Community Bancorp, Inc. 6% BONUSES units (Ba1).....	1
5,000	shs	State Street Corp. 6.75% treasury backed ACES ** (NR).....	1
35,000	shs	Washington Mutual Capital Trust PIERS units 144A (Baa1) (exch. for Washington Mutual, Inc. common stock).....	1
10,000	shs	Washington Mutual Capital Trust PIERS units (Baa1) (exch. for Washington Mutual, Inc. common stock).....	—
			7
			—
		CONSUMER GOODS -- 3.0%	
2,000,000		Church & Dwight Co., Inc. 5.25% 2033 cv. sr. deb. 144A (B1).....	2
20,000	shs	Constellation Brands, Inc. dep. shs. representing 5.75% series A mandatory cv. pfd. ** (Ba2).....	—
			2
			—
		DATA-PROCESSING SERVICES -- 2.3%	
965,000		The BISYS Group, Inc. 4% 2006 cv. sub. notes 144A (NR).....	—
285,000		The BISYS Group, Inc. 4% 2006 cv. sub. notes (NR).....	2
875,000		Pegasus Solutions, Inc. 3.875% 2023 cv. sr. notes 144A (NR).....	—
			—
		ENERGY -- 6.9%	
12,500	shs	Chesapeake Energy Corp. 6% cum. cv. pfd. 144A (B3).....	1
500,000		Devon Energy Corp. 4.90% 2008 cv. sub. deb. * (Baa2) (conv. into ChevronTexaco Corp. common stock).....	—
1,000,000		Devon Energy Corp. 4.95% 2008 cv. sub. deb. * (Baa2) (conv. into ChevronTexaco Corp. common stock).....	1

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Portfolio of Investments September 30, 2003 (continued)

Principal  
Amount  
or Shares  
-----

Ide

ENERGY -- continued

Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

\$1,300,000		Kerr-McGee Corp. 5.25% 2010 cv. sub. deb. (Baa3).....	\$ 1
30,000	shs	Kerr-McGee Corp. 5.50% 2004 DECS ** (Baa3) (exch. for Devon Energy Corp. common stock).....	1
20,000	shs	The Williams Cos., Inc. 5.50% 2033 jr. sub. cv. deb. 144A (B-).....	5
		ENTERTAINMENT -- 4.6%	
500,000		Alloy, Inc. 5.375% 2023 cv. sr. deb. (NR).....	1
22,500	shs	Emmis Communications Corp. 6.25% series A cum. cv. pfd. (Caal).....	1
2,500,000		News America, Inc. 0% 2021 LYONS 144A (Baa3) (exch. for ADSs representing The News Corp. Limited common stock).....	1
1,250	shs	Radio One, Inc. 6.50% HIGH TIDES (B3).....	4
		FINANCIAL & INSURANCE -- 10.9%	
27,800	shs	Capital One Financial Corp. 6.25% Upper DECS *,** (Baa3).....	1
34,000	shs	The Chubb Corp. 7% equity units *,** (A1).....	1
40,000	shs	Platinum Underwriters Holdings, Ltd. 7% eq. sec. units *,** (NR).....	2
40,000	shs	Reinsurance Group of America, Inc. 5.75% PIERS (Baa2).....	1
1,000,000		Swiss Re America Holding Corp. 3.25% 2021 euro. sub. cv. bonds 144A (Aa1) (conv. into Swiss Reinsurance Company common stock).....	1
80,000	shs	Travelers Property Casualty Corp. 4.50% 2032 cv. jr. sub. notes (A3).....	1
1,500,000		XL Capital, Ltd. 0% 2021 cv. deb. 144A * (A1).....	1
500,000		XL Capital, Ltd. 0% 2021 cv. deb. * (A1).....	9
		HEALTH CARE -- 7.1%	
750,000		AmerisourceBergen Corp. 5% 2007 cv. sub. notes 144A (B1).....	1
1,000,000		Community Health Systems, Inc. 4.25% 2008 cv. sub. notes (B3).....	6
500,000		Health Management Associates, Inc. 1.50% 2023 cv. sr. notes * (BBB+).....	1
500,000		LifePoint Hospitals, Inc. 4.50% 2009 cv. sub. notes 144A (B3).....	1
500,000		LifePoint Hospitals, Inc. 4.50% 2009 cv. sub. notes (B3).....	1
19,000	shs	Omnicare Capital Trust I 4% PIERS * (Ba3) (exch. for Omnicare, Inc. common stock).....	1
500,000		Province Healthcare Company 4.25% 2008 cv. sub. notes 144A (B3).....	1
500,000		Province Healthcare Company 4.25% 2008 cv. sub. notes (B3).....	1
600,000		Sunrise Assisted Living, Inc. 5.25% 2009 cv. sub. notes 144A (B1).....	1
400,000		Sunrise Assisted Living, Inc. 5.25% 2009 cv. sub. notes (B1).....	1
		OFFICE EQUIPMENT -- 1.6%	
1,500,000		IOS Capital, LLC 5% 2007 cv. sub. notes 144A (Ba2) (exch. for IKON Office Solutions, Inc. common stock).....	1
		PAPER & PAPER PRODUCTS -- 1.4%	
25,000	shs	Temple-Inland, Inc. 7.50% Upper DECS *,** (Baa3).....	1

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND



Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

Portfolio of Investments September 30, 2003 (continued)

Principal  
Amount  
or Shares  
-----

Ide

		PHARMACEUTICALS -- 9.8%	
\$1,000,000		Amgen, Inc. 0% 2032 LYONS * (A2).....	\$
21,500	shs	Baxter International, Inc. 7% equity units **,** (A3).....	
750,000		Cephalon, Inc. 2.50% 2006 cv. sub. notes 144A (B-).....	
250,000		Cephalon, Inc. 2.50% 2006 cv. sub. notes (B-).....	
1,000,000		Gilead Sciences, Inc. 2% 2007 cv. sr. notes 144A (NR).....	1
250,000		Guilford Pharmaceuticals, Inc. 5% 2008 cv. sub. notes 144A (NR).....	
500,000		Ivax Corp. 4.50% 2008 cv. sr. sub. notes (NR).....	
1,500,000		Ivax Corp. 5.50% 2007 cv. sr. sub. notes (NR).....	1
18,300	shs	Johnson & Johnson common stock.....	1
1,000,000		Teva Pharmaceutical Finance B.V. 0.75% 2021 cv. sub. deb. (BBB-).....	1
		(exch. for Teva Pharmaceuticals Industries Ltd. ADRs).....	8
			—
		RETAIL -- 9.4%	
500,000		Barnes & Noble, Inc. 5.25% 2009 cv. sub. notes (Ba3).....	
500,000		Brinker International, Inc. 0% 2021 cv. sr. deb. (Baa2).....	
1,250,000		Charming Shoppes, Inc. 4.75% 2012 sr. cv. notes 144A (B2).....	1
250,000		Charming Shoppes, Inc. 4.75% 2012 sr. cv. notes (B2).....	
2,000,000		Costco Wholesale Corp. 0% 2017 cv. sub. notes (A3).....	1
500,000		Dave & Buster's, Inc. 5% 2008 cv. sub. notes Reg. D	
		with warrants attached (NR).....	
1,225,000		Duane Reade, Inc. 2.148% 2022 cv. sr. notes 144A (Ba3).....	
750,000		J.C. Penney, Inc. 5% 2008 cv. sub. notes (B1).....	
550,000		School Specialty, Inc. 6% 2008 cv. sub. notes 144A (B+).....	
250,000		School Specialty, Inc. 6% 2008 cv. sub. notes (B+).....	
1,000,000		School Specialty, Inc. 3.75% 2023 cv. sub. notes * (B+).....	1
25,000	shs	Toys "R" Us, Inc. 6.25% equity securities units **,** (NR).....	1
			8
			—
		TECHNOLOGY -- 6.8%	
250,000		Affiliated Computer Services, Inc. 3.50% 2006 cv. sub. notes	
		144A (Baa2).....	
1,000,000		Affiliated Computer Services, Inc. 3.50% 2006 cv. sub. notes (Baa2).....	1
750,000		Hutchinson Technology, Inc. 2.25% 2010 cv. sub. notes 144A (NR).....	
500,000		Kulicke & Soffa Industries, Inc. 4.75% 2006 cv. sub. notes (Caa2).....	
1,000,000		Mercury Interactive Corp. 4.75% 2007 cv. sub. notes (NR).....	
1,000,000		STMicroelectronics, N.V. 0% 2013 sr. cv. bonds 144A # (A-).....	1
1,000,000		Vishay Intertechnology, Inc. 3.625% 2023 cv. sub. notes 144A (B2).....	1
			5
			—
		TELECOMMUNICATIONS -- 7.7%	
550,000		Commonwealth Telephone Enterprises, Inc. 3.25% 2023	
		cv. notes * (NR).....	
750,000		Comverse Technology, Inc. 0% 2023 ZYPS 144A # (BB-).....	
250,000		Comverse Technology, Inc. 0% 2023 ZYPS # (BB-).....	
27,700		The Goldman Sachs Group, Inc. 7.30% mandatory exch. notes **	

Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

	(Aa3) (exch. for Verizon Communications, Inc. common stock).....	
1,000,000	Level 3 Communications, Inc. 2.875% 2010 cv. sub. notes (Caa2).....	1
1,000,000	Lucent Technologies, Inc. 2.75% 2023 series A cv. sr. deb. (Caal).....	1
1,000,000	Lucent Technologies, Inc. 2.75% 2025 series B cv. sr. deb. (Caal).....	1
750,000	Tekelec, Inc. 2.25% 2008 cv. sub. discount notes 144A (NR).....	
20,000	shs UTStarcom, Inc. common stock.....	

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Portfolio of Investments September 30, 2003 (continued)

Principal Amount or Shares -----		Identifi- Cation
	TRANSPORTATION -- 2.1%	
\$ 750,000	Continental Airlines, Inc. 4.50% 2007 cv. notes (Caa2).....	\$
250,000	ExpressJet Holdings, Inc. 4.25% 2023 cv. notes (NR).....	
1,000,000	United Parcel Service, Inc. 1.75% 2007 cash-settled cv. sr. notes (Aaa).....	
	UTILITIES -- 2.5%	
30,000	shs American Electric Power Co., Inc. 9.25% equity units *,** (Baa3).....	1
35,000	shs DTE Energy Co. 8.75% equity security units *,** (BBB).....	
	SHORT-TERM SECURITIES -- 0.0%	
11,000	U.S. Treasury notes 3.375% 4/30/04 + (Aaa).....	
	Total Convertible Bonds and Notes-- 58.2%.....	52
	Total Convertible Preferred Stocks-- 20.3%.....	16
	Total Mandatory Convertible Securities-- 17.1%.....	15
	Total Common Stocks-- 1.7%.....	1
	Total Short-Term Securities-- 0.0%.....	
	Total Investments-- 97.3%.....	\$85
	Other assets and liabilities, net-- 2.7%.....	==
	Total Net Assets-- 100.0%.....	

\* Contingent payment debt instrument which accrues contingent interest. See Note 1(b).

\*\* Mandatory convertible. See Note 1(e).

# Non-income producing security.

Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

+ Collateral for a letter of credit.

ACES	Automatic Convertible Equity Securities.
ADR	American Depositary Receipts.
ADS	American Depositary Shares.
BONUSES	Bifurcated Option Note Unit Securities.
DECS	Debt Exchangeable for Common Stock.
HIGH TIDES	Remarketable Term Income Deferrable Equity Securities.
LYONS	Liquid Yield Option Notes.
PIERS	Preferred Income Equity Redeemable Securities.
ZYPS	Zero Yield Puttable Securities.

Ratings in parentheses by Moody's Investors Service, Inc. or Standard & Poor's, a division of McGraw-Hill Companies, Inc., have been obtained from sources believed reliable but have not been examined by PricewaterhouseCoopers LLP. NR is used whenever a rating is unavailable.

The cost of investments for federal income tax purposes is \$85,961,418 resulting in gross unrealized appreciation and depreciation of \$4,191,498 and \$2,773,776, respectively, or net unrealized appreciation of \$1,417,722 on a tax cost basis.

See accompanying notes to financial statements

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Statement of Assets and Liabilities

September 30, 2003

Assets:	
Investments at value (cost \$85,961,418) (Note 1).....	\$87,379,140
Cash.....	1,329,713
Receivable for securities sold.....	2,259,190
Dividends and interest receivable.....	472,750
Other assets.....	74,968
	-----
Total assets.....	91,515,761
	-----
Liabilities:	
Payable for securities purchased.....	1,672,755
Accrued management fee (Note 2).....	6,414
Accrued expenses.....	25,378
Other liabilities.....	10,024
	-----
Total liabilities.....	1,714,571
	-----
Net Assets.....	\$89,801,190
	=====
Net assets consist of:	
Undistributed net investment income.....	\$ 1,001,377
Accumulated net realized loss from investment transactions.....	(8,158,982)
Unrealized appreciation on investments.....	1,417,722
Capital shares (Note 3).....	104,620
Additional paid-in capital.....	95,436,453

Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

Net Assets.....	\$89,801,190
	=====
Net asset value per share (\$89,801,190 [divided by] 10,461,994 outstanding shares).....	\$ 8.58
	=====

Statement of Operations  
For the Year Ended September 30, 2003

Investment Income (Note 1):	
Interest.....	\$ 2,518,052
Dividends.....	1,898,327
	-----
Total Income.....	4,416,379
	-----
Expenses (Note 2):	
Management fee.....	642,604
Custodian.....	27,841
Transfer agent.....	24,693
Professional fees.....	83,725
Directors' fees.....	107,700
Reports to shareholders.....	41,408
Treasurer's office.....	25,000
Other.....	88,134
	-----
Total Expenses.....	1,041,105
	-----
Net Investment Income.....	3,375,274
	-----
Realized and Unrealized Loss on Investments:	
Net realized loss from investment transactions.....	(442,388)
Net unrealized appreciation of investments.....	8,367,818
	-----
Net gain on investments.....	7,925,430
	-----
Net Increase in Net Assets Resulting from Operations.....	\$11,300,704
	=====

See accompanying notes to financial statements

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Statement of Changes in Net Assets  
For the Years Ended September 30, 2003 and 2002

	2003
	----
Change in net assets from operations:	
Net investment income.....	\$ 3,375,274
Net realized loss from investment transactions.....	(442,388)

Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

Net change in appreciation of investments.....	8,367,818
	-----
Net change in net assets resulting from operations.....	11,300,704
	-----
Dividends to shareholders from:	
Net investment income.....	(3,143,201)
Capital share transactions (Note 3).....	518,366
	-----
Change in net assets.....	8,675,869
Net assets at beginning of year.....	81,125,321
	-----
Net assets at end of year (including undistributed net investment income of \$1,001,377 and \$800,703, respectively).....	\$89,801,190
	=====

Financial Highlights

Selected data for a share of common stock outstanding:

	Years Ended September 30,			
	2003	2002	2001	2000
	----	----	----	----
Operating Performance:				
Net asset value, beginning of year.....	\$ 7.81	\$ 8.67	\$ 11.82	\$ 11.2
	-----	-----	-----	-----
Net investment income.....	.32	.34	.47	.4
Net realized and unrealized gain (loss).....	.75	(.76)	(1.88)	1.7
	-----	-----	-----	-----
Total from investment operations.....	1.07	(.42)	(1.41)	2.1
Less Distributions:				
Dividends from net investment income.....	(.30)	(.44)	(.42)	(.3)
Distributions from realized gains.....	--	--	(1.32)	(1.2)
	-----	-----	-----	-----
Total distributions.....	(.30)	(.44)	(1.74)	(1.5)
Capital share repurchases.....	--	--	--	.0
	-----	-----	-----	-----
Net asset value, end of year.....	\$ 8.58	\$ 7.81	\$ 8.67	\$ 11.8
	=====	=====	=====	=====
Market value, end of year.....	\$ 8.05	\$ 7.55	\$ 8.35	\$ 9.8
Total Net Asset Value Return (%) (a).....	14.0	(5.2)	(13.3)	21.
Total Investment Return (%) (b).....	10.8	(4.5)	2.2	25.
Ratios/Supplemental Data:				
Net assets, end of year (\$000's).....	\$89,801	\$81,125	\$88,901	\$109,18
Ratio of expenses to average net assets (%).....	1.2	1.2	1.2	1.
Ratio of net investment income to average net assets (%).....	3.9	3.9	5.0	3.
Portfolio turnover rate (%).....	86	89	82	9

- 
- (a) Assumes valuation of the Fund's shares, and reinvestment of dividends, at net asset values.
  - (b) Assumes valuation of the Fund's shares at market price and reinvestment of dividends at actual reinvestment price.

See accompanying notes to financial statements

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Notes to Financial Statements

1. Significant Accounting Policies

Ellsworth Convertible Growth and Income Fund, Inc. (the "Fund") is registered under the Investment Company Act of 1940 as a diversified, closed-end management investment company. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements:

(a) Security Valuation

Investments in securities traded on a national securities exchange are valued at market using the last reported sales price as of the close of regular trading. Securities traded in the over-the-counter market and listed securities for which no sales were reported are valued at the mean between reported bid and asked prices as of the close of regular trading. Where no closing prices are available, value is determined by management, with the approval of the Board of Directors.

(b) Securities Transactions and Related Investment Income

Security transactions are accounted for on the trade date (date the order to buy or sell is executed) with gain or loss on the sale of securities being determined based upon identified cost. Dividend income is recorded on the ex-dividend date and interest income is recorded on the accrual basis, including accretion of discounts and amortization of non-equity premium. For certain securities, known as "contingent payment debt instruments," Federal tax regulations require the Fund to record non-cash, "contingent" interest income in addition to interest income actually received. Contingent interest income amounted to 5 cents per share for the year ended September 30, 2003. In addition, Federal tax regulations require the Fund to reclassify realized gains on contingent payment debt instruments to interest income. At September 30, 2003 there were unrealized losses of approximately 1 cent per share on contingent payment debt instruments.

(c) Federal Income Taxes

It is the policy of the Fund to distribute substantially all of its taxable income within the prescribed time and to otherwise comply with the provisions of the Internal Revenue Code applicable to regulated investment companies. Therefore, no provision for federal income or excise taxes is believed necessary.

(d) Dividends and Distributions to Shareholders

The liability for dividends and distributions payable is recorded on the ex-dividend date.

(e) Market Risk

It is the Fund's policy to invest the majority of its assets in convertible securities. Although convertible securities do derive part of their value from that of the securities into which they are convertible, they are not considered derivative financial instruments. However, certain of the Fund's investments include features which render them more sensitive to price changes in their underlying securities. Thus they expose the Fund to greater downside risk than traditional convertible securities, but still less than that of the underlying common stock. The market value of those securities was \$15,364,674 at September 30, 2003, representing 17% of net assets.

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Notes to Financial Statements (continued)

2. Management Fee and Other Transactions with Affiliates

The management fee is paid to the investment adviser, Davis-Dinsmore Management Company (the "Adviser"). The contract provides for payment of a monthly advisory fee, computed at an annual rate of 3/4 of 1% of the first \$100,000,000 and 1/2 of 1% of the excess over \$100,000,000 of the Fund's net asset value in such month.

The Adviser furnishes investment advice, office equipment and facilities, and pays the salaries of all executive officers of the Fund, except that the costs associated with personnel and certain non-personnel expenses of the office of the Treasurer, up to a maximum of \$25,000 a year, are reimbursed by the Fund. Such reimbursements amounted to \$25,000 for the year ended September 30, 2003. The officers of the Fund are also directors, officers or employees of the Adviser, and are compensated by the Adviser.

3. Capital Stock

At September 30, 2003 there were 10,461,994 shares of \$.01 par value common stock outstanding, (20,000,000 shares authorized). During the years ended September 30, 2003 and 2002, 68,117 shares and 137,918 shares were issued in connection with reinvestment of dividends from net investment income, resulting in an increase in paid-in capital of \$518,366 and \$1,216,444 respectively.

A distribution of \$.105 per share, derived from net investment income, was declared on October 20, 2003, payable November 26, 2003 to shareholders of record at the close of business October 30, 2003.

The Board of Directors of the Fund has authorized the Fund to issue, to shareholders of record October 14, 2003, non-transferable rights to acquire additional shares of the Fund's common stock (the "Rights"). Shareholders received one Right for each whole share of common stock held as of October 14, 2003, rounded up to the nearest number of Rights evenly divisible by six. The Rights allow shareholders to subscribe for one share of the Fund's common stock for each six Rights held. The subscription price of the Rights will be the lesser of (a) 95% of the net asset value per share of the Fund's common stock on November 20, 2003, or (b) 95% of the average of the volume-weighted average sales prices of a share of the Fund's Common Stock on the American Stock Exchange on the November 20, 2003 and the four preceding trading days.

# Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

Rights may be exercised at any time prior to 5:00 p.m., Eastern time, on November 19, 2003, unless extended by the Fund.

## 4. Portfolio Activity

Purchases and sales of investments, exclusive of corporate short-term notes, aggregated \$73,545,877 and \$71,199,299, respectively, for the year ended September 30, 2003.

## ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

### Notes to Financial Statements (continued)

## 5. Distributions to Shareholders

Income and Capital Gain Distributions are determined in accordance with federal income tax regulations, which may differ from those reported for financial reporting purposes.

The tax character of distributions paid during the years ended September 30, 2003 and 2002 were as follows:

Ordinary Income	\$3,143,201	\$4,547,101
Long-Term Capital Gain	--	--
	-----	-----
	3,143,201	4,547,101
	=====	=====

At September 30, 2003 the components of net assets (excluding paid-in capital) on a tax basis were as follows:

Undistributed ordinary income	\$ 1,001,377
Tax basis capital loss carryforward	(7,719,727)
Post October loss deferral	(439,255)
Unrealized (appreciation)	1,417,722
	-----
	(5,739,883)
	=====

The capital loss carryforward represents tax basis capital losses which may be carried over to offset future realized capital gains. On September 30, 2003 the Fund had a net capital loss carry forward of \$7,719,727, of which \$1,057,592 expires in 2009, \$1,029,388 expires in 2010, and \$5,632,747 expires in 2011. To the extent that the carryforward is used, no capital gains distributions will be made. The Fund has elected to defer realized capital losses of \$439,254 arising after October 31, 2002. Such losses are treated for tax purposes as arising on October 1, 2003.

## ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

### Report of Independent Accountants

To the Shareholders and Board of Directors of  
Ellsworth Convertible Growth and Income Fund, Inc.

In our opinion, the accompanying statement of assets and liabilities, including the portfolio of investments, and the related statements of operations and of changes in net assets, and the financial highlights, present fairly, in all



material respects, the financial position of Ellsworth Convertible Growth and Income Fund, Inc. (the "Fund") at September 30, 2003, the results of its operations for the year then ended, and the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at September 30, 2003 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

New York, New York  
October 20, 2003

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Miscellaneous Notes

Automatic Dividend Investment and Cash Payment Plan

The Fund has an Automatic Dividend Investment and Cash Payment Plan (the "Plan"). Any shareholder may elect to join the Plan by sending an application to American Stock Transfer & Trust Company, P.O. Box 922, Church Street Station, NY 10269-0560 (the "Plan Agent"). You may also obtain additional information about the Plan by calling the Plan Agent toll free at (800) 937-5449. If your shares are held by a broker or other nominee, you should instruct the nominee to join the Plan on your behalf. Some brokers may require that your shares be taken out of the broker's "street name" and re-registered in your own name. Shareholders should also contact their broker to determine whether shares acquired through participation in the Plan can be transferred to another broker, and thereafter, whether the shareholder can continue to participate in the Plan.

Under the Plan, all dividends and distributions are automatically invested in additional Fund shares. Depending on the circumstances, shares may either be issued by the Fund or acquired through open market purchases at the current market price or net asset value, whichever is lower (but not less than 95% of market price). When the market price is lower, the Plan Agent will combine your dividends with those of other Plan participants and purchase shares in the market, thereby taking advantage of the lower commissions on larger purchases. There is no other charge for this service.

All dividends and distributions made by the Fund (including capital gain dividends and dividends designated as qualified dividend income, which are eligible for taxation at lower rates) remain taxable to Plan participants, regardless of whether such dividends and distributions are reinvested in additional shares of the Fund through open market purchases or through the issuance of new shares. Plan participants will be treated as receiving the cash

used to purchase shares on the open market and, in the case of any dividend or distribution made in the form of newly issued shares, will be treated as receiving an amount equal to the fair market value of such shares as of the reinvestment date. Accordingly, a shareholder may incur a tax liability even though such shareholder has not received a cash distribution with which to pay the tax.

Plan participants may also voluntarily send cash payments of \$100 to \$10,000 per month to the Plan Agent, to be combined with other Plan monies, for purchase of additional Fund shares in the open market. You pay only a bank service charge of \$1.25 per transaction, plus your proportionate share of the brokerage commission. All shares and fractional shares purchased will be held by the Plan Agent in your dividend reinvestment account. You may deposit with the Plan Agent any Ellsworth stock certificates you hold, for a one-time fee of \$7.50.

At any time, a Plan participant may instruct the Plan Agent to liquidate all or any portion of such Plan participant's account. To do so, a Plan participant must deliver written notice to the Plan Agent prior to the record date of any dividend or distribution requesting either liquidation or a stock certificate. The Plan Agent will combine all liquidation requests it receives from Plan participants on a particular day and will then sell shares of the Fund that are subject to liquidation requests in the open market. The amount of proceeds a Plan participant will receive shall be determined by the average sales price per share, after deducting brokerage commissions, of all shares sold by the Plan Agent for all Plan participants who have given the Plan Agent liquidation requests.

The Plan Agent or the Fund may terminate the Plan for any reason at any time by sending written notice addressed to Plan participant's address as shown on the Plan Agent's records. Following the date of termination, the Plan Agent shall send the Plan participant either the proceeds of liquidation, or a stock certificate or certificates for the full shares held by Plan Agent in Plan participant's account and a check for the value of any fractional interest in Plan participant's account based on the market price of the Fund's Common Stock on that date.

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Miscellaneous Notes (continued)

Notice of Privacy Policy

The Fund has adopted a privacy policy in order to protect the confidentiality of nonpublic personal information that we have about you. We receive personal information, such as your name, address and account balances, when transactions occur in Ellsworth shares registered in your name.

We may disclose this information to companies that perform services for the Fund, such as the Fund's transfer agent or proxy solicitors. These companies may only use this information in connection with the services they provide to the Fund, and not for any other purpose. We will not otherwise disclose any nonpublic personal information about our stockholders or former stockholders to anyone else, except as required by law.

Access to nonpublic information about you is restricted to our employees and service providers who need that information in order to provide services to you. We maintain physical, electronic and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

-----

## Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

Visit us on the Internet at [www.ellsworthfund.com](http://www.ellsworthfund.com). The site provides information about the Fund including daily net asset values (NAV), historical dividends and press releases, as well as information about Davis-Dinsmore Management Company, the Fund's adviser. In addition you can email us at [info@ellsworthfund.com](mailto:info@ellsworthfund.com).

---

The Fund is a member of the Closed-End Fund Association (CEFA). Its website address is [www.cefa.com](http://www.cefa.com). CEFA is solely responsible for the content of its website.

---

The Fund's Proxy Voting Guidelines (the "Guidelines") are available without charge, by calling the Fund collect at (973) 631-1177. The Guidelines are also posted on the Fund's website at <http://www.ellsworthfund.com> and are available on the SEC's website at <http://www.sec.gov>.

---

Pursuant to Section 23 of the Investment Company Act of 1940, notice is hereby given that the Fund may in the future, purchase shares of its own Common Stock from time to time, at such times, and in such amounts, as may be deemed advantageous to the Fund. Nothing herein shall be considered a commitment to purchase such shares.

---

A Statement of Additional Information, dated October 16, 2003, which pertains to an offering of the Fund's Common Stock issuable upon exercise of rights that were issued to existing shareholders of the Fund on October 14, 2003, contains additional information about the Fund and Directors, and is available, without charge, by calling the Fund collect at (973) 631-1177.

---

Internet	Shareholder Services and Transfer Agent
<a href="http://www.ellsworthfund.com">www.ellsworthfund.com</a>	American Stock Transfer & Trust Company
email: <a href="mailto:info@ellsworthfund.com">info@ellsworthfund.com</a>	59 Maiden Lane
	New York, NY 10038
Investment Adviser	(800) 937-5449
Davis-Dinsmore Management Company	<a href="http://www.amstock.com">www.amstock.com</a>
65 Madison Avenue, Suite 550	
Morristown, NJ 07960-7308	Common Stock Listing
(973) 631-1177	American Stock Exchange Symbol: ECF

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Directors

The business address of each director is 65 Madison Avenue, Suite 550,

## Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

Morristown, NJ 07960-7308. Each director is also a director of Bancroft Convertible Fund, Inc. (Bancroft) (a closed-end management investment company). Davis-Dinsmore Management Company (Davis-Dinsmore) is the Fund's investment adviser and is also the investment adviser to Bancroft. Because of this connection, the Fund and Bancroft make up a Fund Complex. Therefore, each director oversees two investment companies in the Fund Complex.

Name and Age	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years
Independent Directors		
Gordon F. Ahalt, 75	Term as Director expires 2004. Director since 1986.	Retired. Prior to 2001, President of G.F.A. Inc. (petroleum industry consulting company). Prior to 1999, Consultant with W.H. Reaves & Co. (asset management company).
William A. Benton, 70	Term as Director expires 2004. Director since 1986.	Retired. Prior to 2001, Partner of BE Partners (small options market maker). Prior to 2000, Limited Partner of Gavin, Benton & Co. (NYSE specialist).
Elizabeth C. Bogan, Ph.D., 59	Term as Director expires 2004. Director since 1986.	Senior Lecturer in Economics at Princeton University.
Donald M. Halsted, Jr., 76	Term as Director expires 2005. Director since 1986.	Retired Business Executive.
George R. Lieberman, 81	Term as Director expires 2006. Director since 1990.	Retired Advertising Executive.
Duncan O. McKee, 72	Term as Director expires 2005. Director since 1996.	Retired Attorney.
Nicolas W. Platt, 50	Term as Director expires 2004. Director since 1997.	Since January 2003, President of CNC-US (an international consulting company). Prior to January 2003, Senior Partner of Platt & Rickenbach (public relations firm). Prior to May 2001, with WPP Group, UK, as Exec. Vice Pres. of Ogilvy Public Relations Worldwide and Managing Director of the Corporate Financial Practice at Burson-Marsteller (public relations firm).

Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND

Directors (continued)

Name and Age	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years
Interested Directors		
Thomas H. Dinsmore, 50 (1,2)	Term as Director expires 2005. Director since 1986.	Chairman and Chief Executive Officer of the Fund, Bancroft and Davis-Dinsmore.
Jane D. O'Keefe, 48 (1,2)	Term as Director expires 2005. Director since 1995.	President of the Fund, Bancroft and Davis-Dinsmore.

Officers

The business address of each officer is 65 Madison Avenue, Suite 550, Morristown, NJ 07960-7308. Officers are elected and serve at the pleasure of the Board of Directors. Each officer holds office until the annual meeting to be held in 2004, and thereafter until his or her respective successor is duly elected and qualified.

Name and Age	Positions with the Fund	Officer Since	Principal Occupation(s) During Past 5 Years
Thomas H. Dinsmore, 50 (1,2)	Director, Chairman and Chief Executive Officer	1986	Chairman and Chief Executive Officer of the Fund, Bancroft and Davis-Dinsmore.
Jane D. O'Keefe, 48 (1,2)	Director and President	1994	President of the Fund, Bancroft and Davis-Dinsmore.
H. Tucker Lake, Jr., 56 (2)	Vice President	1994	Since 2002, and prior to that time, President, Fund, Bancroft and Davis-Dinsmore.
Gary I. Levine, 46 (3,4)	Vice President, Treasurer and Chief Financial Officer	1993	Since 2002, Treasurer and Chief Financial Officer, and Secretary of the Fund, Bancroft and Davis-Dinsmore.
Germaine Ortiz, 33	Vice President	1996	Since 1999, and prior to that time, Vice President of the Fund, Bancroft and Davis-Dinsmore.

Bancroft an  
Senior Vice  
Secretary o  
Bancroft an

Sigmund Levine, 79 (3,5)

Secretary

1986

- 1 Mr. Dinsmore and Ms. O'Keefe are considered interested persons because they are officers and directors of Davis-Dinsmore. They are brother and sister.
- 2 H. Tucker Lake, Jr. is the cousin of Thomas H. Dinsmore and Jane D. O'Keefe.
- 3 Sigmund Levine is the father of Gary I. Levine.
- 4 Gary I. Levine was elected Secretary of the Fund as of November 17, 2003.
- 5 Sigmund Levine retired as Secretary of the Fund as of November 17, 2003.

ELLSWORTH CONVERTIBLE GROWTH AND INCOME FUND, INC.  
65 MADISON AVENUE, SUITE 550  
MORRISTOWN, NEW JERSEY 07960  
www.ellsworthfund.com

[LOGO]

[LOGO] Printed on recycled paper

ITEM 2. CODE OF ETHICS.

Effective May 15, 2003, the Board of Directors of the Fund has adopted a code of ethics that applies to the Fund's principal executive officer and principal financial officer. See attached Exhibit EX-99.CODE ETH.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

The Board of Directors of the Fund has determined that no member of the Board serving on the Audit Committee meets the SEC definition of "audit committee financial expert." The Fund's Audit Committee consists of four directors who are not "interested persons" of the Fund within the meaning of the Investment Company Act of 1940, as amended. These directors are also "independent" from the Funds within the meaning of Section 10A of the Securities Exchange Act of 1934, as amended. Members of the Audit Committee have diverse backgrounds in manufacturing, finance, advertising and education, and the Board believes that such members are fully qualified to monitor the internal accounting operations and the independent auditors of the Fund, and to monitor the disclosures of the Fund contained in the Fund's financial statements. In addition, the Audit Committee has the ability on its own to retain independent accountants or other consultants whenever it deems appropriate. The Fund's Board believes that all of the foregoing is equivalent to having an audit committee financial expert on the Audit Committee.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Form N-CSR disclosure requirement not yet effective with respect to the registrant.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

(a) The Fund has a designated Audit Committee in accordance with

## Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

Section 3(a)(58)(A) of the Exchange Act:

WILLIAM A. BENTON

ELIZABETH C. BOGAN, PH.D.

DONALD M. HALSTED, JR.

GEORGE R. LIEBERMAN

(b) Not applicable.

ITEM 6. [RESERVED BY SEC FOR FUTURE USE.]

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Bancroft Convertible Fund, Inc.  
Ellsworth Convertible Growth and Income Fund, Inc.  
Davis-Dinsmore Management Company  
Proxy Voting Guidelines

(Adopted April 14, 2003)

These proxy voting guidelines have been adopted by the Boards of Directors of Bancroft Convertible Fund, Inc. and Ellsworth Convertible Growth and Income Fund, Inc. (collectively, the "Funds"), as well as by the Board of Directors of Davis-Dinsmore Management Company ("Davis-Dinsmore").

The Boards of Directors of the Funds have delegated to Davis-Dinsmore responsibility for voting proxies received by the Funds in their capacities as shareholders of various companies. The Boards recognize that, due to the nature of the Funds' investments, the Funds do not frequently receive proxies.

Davis-Dinsmore exercises its voting responsibility with the overall goal of maximizing the value of the Funds' investments. The portfolio managers at Davis-Dinsmore oversee the voting policies and decisions for the Funds. In evaluating voting issues, the portfolio managers may consider information from many sources, including management of a company presenting a proposal, shareholder groups, research analysts, and independent proxy research services.

Set forth below are the proxy voting guidelines:

A. Matters Related to the Board of Directors

1. The Funds generally will support the election of nominees recommended by management for election as directors. In determining whether to support a particular nominee, Davis-Dinsmore will consider whether the election of that nominee will cause a company to have less than a majority of independent directors.

2. The Funds generally will support proposals to de-classify boards of directors if fewer than 66 2/3% of the directors are independent, and will generally vote against proposals to classify boards of directors.

3. The Funds generally will withhold a vote in favor of a director who has served on a committee which has approved excessive compensation arrangements or proposed equity-based compensation plans that unduly dilute the ownership interests of stockholders.

B. Matters Related to Independent Auditors

## Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

1. The Funds generally will vote in favor of independent accountants approved by the company. Prior to such vote, however, Davis-Dinsmore will take into consideration whether non-audit fees make up more than 50 to 75% of the total fees paid by the company to the independent auditors, and the nature of the non-audit services provided.

### C. Corporate Governance Matters

1. As a general rule, the Funds will vote against proposals recommended by management of a company that are being made primarily to implement anti-takeover measures, and will vote in favor of proposals to eliminate policies that are primarily intended to act as anti-takeover measures.

2. Subject to the other provisions of these guidelines, including without limitation provision C.1. above, the Funds generally will vote in accordance with management's recommendations regarding routine matters, including the following:

- a. Fixing number of directors;
- b. Stock splits; and
- c. Change of state of incorporation for specific corporate purposes.

### D. Matters Related to Equity-Based Compensation Plans

1. The Fund generally will vote in favor of broad-based stock option plans for executives, employees or directors which would not increase the aggregate number of shares of stock available for grant under all currently active plans to over 10% of the total number of shares outstanding.

2. The Funds generally will vote in favor of employee stock purchase plans and employee stock ownership plans permitting purchase of company stock at 85% or more of fair market value.

### E. Contested Matters

1. Contested situations will be evaluated on a case by case basis by the portfolio manager at Davis-Dinsmore principally responsible for the particular portfolio security.

### F. Miscellaneous Matters

1. The Funds may in their discretion abstain from voting shares that have been recently sold.

2. The Funds generally will abstain from voting on issues relating to social and/or political responsibility.

3. Proposals that are not covered by the above-stated guidelines will be evaluated on a case by case basis by the portfolio manager at Davis-Dinsmore principally responsible for the particular portfolio security.

### G. Material Conflicts of Interest

1. Conflicts of interest may arise from time to time between Davis-Dinsmore and the Funds. Examples of conflicts of interests include:

- a. Davis-Dinsmore may manage a pension plan, administer employee benefit plans, or provide services to a company whose management is soliciting proxies;



b. Davis-Dinsmore or its officers or directors may have a business or personal relationship with corporate directors, candidates for directorships, or participants in proxy contests;

c. Davis-Dinsmore may hold a position in a security contrary to shareholder interests.

2. If a conflict of interest arises with respect to a proxy voting matter, the portfolio manager will promptly notify the Funds' Audit Committee and counsel for independent directors and the proxies will be voted in accordance with direction received from the Audit Committee.

ITEM 8. [RESERVED BY SEC FOR FUTURE USE.]

ITEM 9. CONTROLS AND PROCEDURES

Conclusions of principal officers concerning controls and procedures

(a) As of November 21, 2003, an evaluation was performed under the supervision and with the participation of the officers of Ellsworth Convertible Growth and Income Fund, Inc. (the "Company"), including the principal executive officer ("PEO") and principal financial officer ("PFO"), of the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the Company's officers, including the PEO and PFO, concluded that, as of November 21, 2003, the Company's disclosure controls and procedures were reasonably designed so as to ensure that material information relating to the Company is made known to the PEO and PFO.

(b) There have been no significant changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d)) that occurred during the registrant's last fiscal half-year (the registrant's second fiscal half-year in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 10. EXHIBITS

(a) (1) Code of Ethics

A code of ethics, effective May 15, 2003, that applies to the Fund's principal executive officer and principal financial officer is attached hereto.

(2) Certifications of Principal Executive Officer and Principal Financial Officer pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 are attached hereto as Exhibit 99.CERT.

(b) Certifications pursuant to Rule 30a-2(b) under the Investment Company Act of 1940 are attached hereto as Exhibit 99.906CERT.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Ellsworth Convertible Growth and Income Fund, Inc.

By: /s/Thomas H. Dinsmore

Edgar Filing: ELLSWORTH CONVERTIBLE GROWTH & INCOME FUND INC - Form N-CSR/A

Thomas H. Dinsmore  
Chairman of the Board  
(Principal Executive Officer)

Date: December 18, 2003

Pursuant to the requirements of the Securities and Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/Thomas H. Dinsmore  
Thomas H. Dinsmore  
Chairman of the Board  
(Principal Executive Officer)

Date: December 18, 2003

By: /s/Gary I. Levine  
Gary I. Levine  
Vice President and Treasurer  
(Principal Financial Officer)

Date: December 18, 2003