

# SECURITIES AND EXCHANGE COMMISSION

## FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

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### FILER

#### **DREYFUS GROWTH & INCOME FUND INC /NEW/**

CIK: **881780** | State of Incorporation: **NY** | Fiscal Year End: **1031**  
Type: **N-30D** | Act: **40** | File No.: **811-06474** | Film No.: **96687554**

Mailing Address  
*C/O DREYFUS CORP  
200 PARK AVENUE, 8TH  
FLOOR  
NEW YORK NY 10166*

Business Address  
*144 GLENN CURTISS BLVD  
DREYFUS CORP  
UNIONDALE NY 11556  
2129226130*



\$19,245  
 Standard & Poor's 500  
 Composite Stock Price  
 Index\*  
 Dollars  
 \$18,910  
 Dreyfus Growth and  
 Income Fund

\*Source: Lipper Analytical Services, Inc.

Average Annual Total Returns

<TABLE>

One Year Ended  
 October 31, 1996

From Inception (12/31/91)  
 to October 31, 1996

<S>	<C>	<C>
	19.41%	14.09%

</TABLE>

Past performance is not predictive of future performance.

The above graph compares a \$10,000 investment made in Dreyfus Growth and Income Fund, Inc. on 12/31/91 (Inception Date) to a \$10,000 investment made in the Standard & Poor's 500 Composite Stock Price Index on that date. All dividends and capital gain distributions are reinvested.

The Fund's performance shown in the line graph takes into account all applicable fees and expenses. Unlike the Fund, which can invest in both equity and debt securities, the Standard & Poor's 500 Composite Stock Price Index is a widely accepted, unmanaged index of overall stock market performance comprised solely of common stocks. The Index does not take into account charges, fees and other expenses. Further information relating to Fund performance, including expense reimbursements, if applicable, is contained in the Financial Highlights section of the Prospectus and elsewhere in this report.

<TABLE>

DREYFUS GROWTH AND INCOME FUND, INC.

STATEMENT OF INVESTMENTS

Common Stocks-62.0%

<S>

		Shares	OCTOBER 31, 1996 Value
Basic and Process Industries-5.8%			
	AlliedSignal.....	200,000	\$ 13,100,000
	Champion International.....	300,000	13,050,000
	Crompton & Knowles.....	265,000	4,770,000
	duPont (EI) de Nemours.....	100,000	9,275,000
	Hercules.....	300,000	14,287,500
	Industrial Flexible Material.....	725,000 (a,e)	
	Olin.....	140,000	5,950,000
	Praxair.....	100,000	4,425,000
	Raychem.....	199,000	15,546,875
	Rohr.....	70,500	1,304,250
	Union Carbide.....	250,000	10,656,250
	Weyerhaeuser.....	350,000	16,056,250
	Witco.....	350,000	10,850,000
			<u>119,271,125</u>
Capital Goods-4.5%			
	Albany International, Cl. A.....	500,000	11,250,000
	Boeing.....	200,000	19,075,000
	Cooper Industries.....	300,000	12,075,000
	Perkin-Elmer.....	250,000	13,406,250
	Potash Saskatchewan.....	90,000	6,378,750
	Thiokol.....	130,000	5,443,750
	York International.....	525,000	25,396,875
			<u>93,025,625</u>
Consumer-10.2%			
	ADT Limited.....	1,030,000 (a)	20,342,500
	Authentic Fitness.....	395,400	4,398,825
	Dal-Tile.....	550,000 (a)	9,625,000
	Ford Motor.....	300,000 (a)	9,375,000
	General Motors.....	150,000	8,081,250
	General Nutrition.....	900,000 (a)	16,425,000
	Harcourt General.....	110,000	5,472,500
	Metromail.....	250,000 (a)	4,593,750
	Nabisco Holdings, Cl. A.....	1,000,000	37,250,000
	OfficeMax.....	2,100,000 (a)	28,350,000
	Omnicom Group.....	400,000	19,900,000
	PepsiCo.....	250,000	7,406,250
	Philip Morris Cos.....	150,000	13,893,750
	Thrifty Payless Holdings.....	825,000	17,634,375
	Wal-Mart Stores.....	300,000	7,987,500
			<u>210,735,700</u>
Energy-4.5%			
	Amerada Hess.....	300,000	16,612,500

Louisiana Land & Exploration.....	200,000	11,375,000
Murphy Oil.....	200,000	9,875,000
Occidental Petroleum.....	700,000	17,150,000
Pennzoil.....	50,000	2,550,000
UGI .....	820,000	19,372,500
Union Pacific Resources Group.....	569,389	15,658,203
		<u>92,593,203</u>

DREYFUS GROWTH AND INCOME FUND, INC.  
STATEMENT OF INVESTMENTS (CONTINUED)  
Common Stocks (continued)

		OCTOBER 31, 1996	
		Shares	Value
Financial-3.7%	Bank of Boston.....	500,000	\$ 32,000,000
	Chase Manhattan.....	200,000	17,150,000
	Federal National Mortgage Association..	400,000	15,650,000
	Fleet Financial Group.....	250,000	12,468,750
	Mortgage Information.....	245,959 (a, c, e)	
			<u>77,268,750</u>
Health Care-7.9%	A.L. Pharmaceutical, Cl. A.....	379,200	4,740,000
	Algos Pharmaceutical.....	290,000	3,625,000
	Baxter International.....	300,000	12,487,500
	Biogen.....	500,000 (a)	37,250,000
	Columbia/HCA Healthcare.....	225,000	8,043,750
	Fuisz Technologies.....	200,000 (a)	1,625,000
	Gilead Sciences.....	175,000	4,090,625
	Guidant.....	200,000	9,225,000
	Heartport.....	275,000 (a)	7,253,125
	Johnson & Johnson.....	300,000	14,775,000
	Manor Care.....	325,000	12,756,250
	Sandoz .....	37,240	42,891,320
	St. Jude Medical.....	100,000	3,950,000
			<u>162,712,570</u>
Insurance-3.0%	American International Group.....	150,000	16,293,750
	American Reinsurance.....	300,000	19,312,500
	CIGNA.....	75,000	9,787,500
	EXEL.....	150,000	5,700,000
	Everest Reinsurance Holdings.....	430,000	10,965,000
			<u>62,058,750</u>
Media/Entertainment-7.1%	Comcast, Cl. A.....	885,000	13,053,750
	Disney (Walt).....	150,000	9,881,250
	Grand Casinos.....	400,000 (a)	5,950,000
	Infinity Broadcasting, Cl. A.....	225,000 (a)	6,525,000
	International Game Technology.....	1,000,000	21,125,000
	Metromedia International Group.....	1,300,000 (a)	12,837,500
	Tele-Comm Liberty Media Group, Cl. A...	400,000	10,300,000
	Time Warner.....	1,200,000	44,700,000
	Viacom, Cl. A.....	225,000 (a)	7,340,625
	Viacom, Cl. B.....	500,000 (a)	16,312,500
			<u>148,025,625</u>
Mining and Metals-.8%	Brascan.....	800,000	17,100,000
Real Estate-2.1%	CBL Associates Property.....	400,000	9,450,000
	Crescent Real Estate Equities.....	230,100	9,606,675
	Host Marriott.....	550,000	8,456,250
	Patriot American Hospitality.....	171,900	6,037,988
	Rouse	400,000	10,150,000
			<u>43,700,913</u>
Technology-5.3%.	Bay Networks .....	150,000 (a)	3,037,500

DREYFUS GROWTH AND INCOME FUND, INC.  
STATEMENT OF INVESTMENTS (CONTINUED)  
Common Stocks (continued)

		OCTOBER 31, 1996	
		Shares	Value
Technology (continued)	Computer Sciences.....	475,000 (a)	\$ 35,268,750
	Electronic Data Systems.....	250,000 (a)	11,250,000
	Informix.....	550,000 (a)	12,203,125
	Intel.....	150,000	16,481,250
	Thermo Electron.....	671,861	24,522,927
	Unilever A.D.R.....	45,000	6,879,375
			<u>109,642,927</u>

Telecommunications-1.8%	MFS Communications.....	321,624 (a)	16,121,403
	SBC Communications.....	350,000	17,018,750
	Viatel.....	400,000 (a)	4,800,000
			<hr/>
			37,940,153
Transportation-2.5%	AMR.....	210,800 (a)	17,707,200
	Canadian Pacific.....	550,000	13,887,500
	Teekay Shipping.....	260,900	8,120,512
	Union Pacific.....	200,000	11,225,000
			<hr/>
			50,940,212
Utilities-2.8%	Entergy.....	600,000	16,800,000
	GTE.....	400,000	16,850,000
	Texas Utilities.....	600,000	24,300,000
			<hr/>
			57,950,000
			<hr/>
	TOTAL COMMON STOCKS		
	(cost \$1,145,033,175).....		\$1,282,965,553
			=====
Convertible Preferred Stocks-9.5%			
Basic and Process Industries-.7%	International Paper, Cum., \$2.625.....	300,000 (b)	\$ 14,325,000
			<hr/>
Energy -1.9%	NorAm Financing, Cum., 6.25%.....	200,000	12,750,000
	Occidental Petroleum, Cum., \$3.875.....	300,000 (b)	17,625,000
	Western Gas Resources, Cum., \$2.625.....	228,000	8,037,000
			<hr/>
			38,412,000
Financial-1.5%	Banco Commercial Portugues, Ser. A., 8%	286,000	14,532,375
	Sakura Bank, .75%.....	270 (b)	15,540,010
			<hr/>
			30,072,385
Insurance-1.0%	Allstate, Cum., \$2.30.....	185,000	9,180,625
	SunAmerica, Cum., \$3.188.....	300,000 (b)	11,250,000
			<hr/>
			20,430,625
Media/Entertainment-1.2%	SFX Broadcasting, Cum., 6.50%.....	147,500 (b)	8,186,250
	Station Casinos, 7%.....	200,000	10,200,000
	TCI Communications, Ser. A, \$2.125.....	200,000	7,412,500
			<hr/>
			25,798,750
Real Estate-.7%	Merry Land & Investment, Ser. C, 8.60%....	295,000	7,743,750
	Tanger Factory, Ser. A, Cum., \$1.802.....	299,800	6,520,650
			<hr/>
			14,264,400

DREYFUS GROWTH AND INCOME FUND, INC.

STATEMENT OF INVESTMENTS (CONTINUED)

Convertible Preferred Stocks (continued)

		OCTOBER 31, 1996	
		Shares	Value
Telecommunications-2.5%	AirTouch Communications, Ser. C, 4.25%....	50,000	\$ 2,318,750
	MFS Communications, 8%.....	575,000	49,881,250
			<hr/>
			52,200,000
			<hr/>
	TOTAL CONVERTIBLE PERFERRED STOCKS		
	(cost \$164,591,447).....		\$ 195,503,160
			=====
Convertible Corporate Notes & Bonds-15.3%		Principal	
		Amount	
Capital Goods-.6%	Liebert, Sub. Deb.,		
	8%, 11/15/2010.....	\$ 3,900,000	\$ 12,874,875
Consumer-2.8%	Home Depot, Sub. Notes,		
	3.25%, 10/1/2001.....	20,000,000	20,050,000
	Pep Boys, Sub. Notes,		
	Zero Coupon, 9/20/2011.....	25,000,000	13,968,750
	Staples, Sub. Deb.,		
	4.50%, 10/1/2000.....	15,000,000 (b)	15,825,000
	Sunglass Hut International, Sub. Notes,		
	5.25%, 6/15/2003.....	11,000,000 (b)	8,305,000
			<hr/>
			58,148,750
Energy-.7%	ENRON, Exchangeable Notes,		
	6.25%, 12/13/1998.....	615,000	15,067,500
			<hr/>

Foreign Government-.3%	Republic of Italy, Sub. Deb., 5%, 6/28/2001.....	6,000,000	6,097,500
Health Care-.8%	Sandoz Capital, Sub. Deb., 2%, 10/6/2002..... Tenet Healthcare, Sub. Deb., 6%, 12/4/2005.....	6,500,000 (b) 8,000,000	7,158,125 8,210,000
			<hr/> 15,368,125
Insurance-.7%	Nac Re, Sub. Deb., 5.25%, 12/15/2002..... Trenwick, Sub. Deb., 6%, 12/15/1999.....	8,050,000 6,000,000	7,939,313 6,540,000
			<hr/> 14,479,313
Media/Entertainment-1.0%	Telecommunications, Sub. Deb., 4.50%, 2/15/2006.....	25,000,000	20,093,750
Mining and Metals-.3%	Inco, Yankee Deb., 5.75%, 7/1/2004.....	5,750,000	7,000,625
Real Estate-.9%	Liberty Property Trust, Sub. Deb., 8%, 7/1/2001..... Rouse, Sub. Deb., 5.75%, 7/23/2002..... Sizeler Properties, Sub. Deb., 8%, 7/15/2003.....	4,800,000 6,000,000 8,000,000	5,184,000 6,045,000 6,920,000
			<hr/> 18,149,000

DREYFUS GROWTH AND INCOME FUND, INC.  
STATEMENT OF INVESTMENTS (CONTINUED)

		OCTOBER 31, 1996	
		Principal Amount	Value
Convertible Corporate Notes & Bonds (continued)			
Technology-6.7%	Broadband Technologies, Sub. Notes, 5%, 5/15/2001..... First Financial Management, Sr. Deb., 5%, 12/15/1999..... Seagate Technology, Sub. Deb., 5%, 11/1/2003..... Softkey International, Sub. Deb., 5.50%, 11/1/2000..... Spectrumholobtye, Sub. Deb., 6.50%, 9/15/2002..... Thermo Electron, Euro. Sub. Deb., 4.25%, 1/1/2003.....	\$ 5,000,000 (b) 30,000,000 6,000,000 (b) 20,750,000 (b) 4,400,000 (b) 37,000,000 (b)	\$ 3,950,000 56,775,000 15,315,000 17,430,000 2,860,000 41,763,750
			<hr/> 138,093,750
Telecommunications-.5%	U.S. West, Exchangeable Notes, 7.625%, 12/15/1998.....	345,000	10,436,250
Transportation-.0%	Campagne Nationale Air France, Sub. Deb., 4%, 1/1/2000.....	893,193 (e)	174,305
	TOTAL CONVERTIBLE CORPORATE NOTES AND BONDS (cost \$277,671,962).....		<hr/> \$ 315,983,743 =====
Short-Term Investments-11.5%	U.S. Treasury Bills: 5.14%, 11/7/1996 5.15%, 11/14/1996..... 5.11%, 11/21/1996..... 5.07%, 11/29/1996..... 5.19%, 12/5/1996..... 5.06%, 12/12/1996..... 5.22%, 1/2/1997..... 4.885%, 1/9/1997..... 5.36%, 1/16/1997..... 5.30%, 1/23/1997..... 5.34%, 1/30/1997.....	\$ 483,000 48,495,000 (d) 2,892,000 3,334,000 11,340,000 93,403,000 11,532,000 37,242,000 15,691,000 1,720,000 14,179,000	\$ 482,633 48,410,134 2,884,220 3,321,431 11,286,475 92,870,603 11,433,863 36,887,084 15,525,303 1,700,168 14,001,195
	TOTAL SHORT-TERM INVESTMENTS (cost \$238,798,677).....		<hr/> \$ 238,803,109 =====
TOTAL INVESTMENTS (cost \$1,826,095,261).....		98.3% =====	\$2,033,255,565 =====
CASH AND RECEIVABLES (NET).....		1.7% =====	\$ 35,197,493 =====

NET ASSETS..... 100.0% \$2,068,453,058  
=====

DREYFUS GROWTH AND INCOME FUND, INC.  
STATEMENT OF INVESTMENTS (CONTINUED)

OCTOBER 31, 1996

Notes to Statement of Investments:

- (a) Non-income producing.
- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At October 31, 1996, these securities amounted to \$179,533,135 or approximately 8.7% of net assets.
- (c) Investment in non-controlled affiliate (cost \$275,959)-See note 1(d).
- (d) Partially held by brokers as collateral or open short positions.
- (e) Securities restricted as to public resale. Investments in restricted securities, with an aggregate value of \$174,305 represent approximately .01% of net assets.

Issuer	Acquisition Date	Purchase Price	Percentage of Net Assets	Valuation*
Campagne Nationale Air France, Sub. Deb., 4%, 1/1/2000.....	5/4/1993	\$ .19	\$ .01%	cost
Mortgage Information.....	5/18/1987	1.12	0.00%	zero
	2/1/1988	1.12		
	12/13/1988	1.12		
Industrial Flexible Material.....	3/31/1993	5.00	0.00%	zero

\*The valuation of these securities has been determined in good faith under the direction of the Board of Directors.

STATEMENT OF SECURITIES SOLD SHORT

Common Stocks	Shares	Value
International Paper (proceeds \$8,326,247).....	210,000	\$ 8,977,500 =====

SEE NOTES TO FINANCIAL STATEMENTS.

</TABLE>  
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DREYFUS GROWTH AND INCOME FUND, INC.  
STATEMENT OF ASSETS AND LIABILITIES

	Cost	OCTOBER 31, 1996 Value
<S>	<C>	<C>
ASSETS:	\$1,826,095,261	\$2,033,255,565
Investments in securities-See Statement of Investments		74,487,415
Cash.....		5,469,609
Receivable for investment securities sold.....		25,100
Receivable from subscriptions to Common Stock		
Receivable from brokers for proceeds on securities sold short.....		8,326,247
Dividends and interest receivable.....		5,232,460
Net unrealized appreciation on forward currency exchange contracts-Note 4(a).....		522,361
Prepaid expenses.....		78,884
		2,127,397,641
LIABILITIES:		1,383,717
Due to The Dreyfus Corporation and affiliates		
Securities sold short, at value (proceeds \$8,326,247) - see statement.....		8,977,500
Payable for investment securities purchased		48,206,525
Payable for Common Stock redeemed.....		134,979
Accrued expenses .....		241,862
		58,944,583
NET ASSETS.....		\$2,068,453,058 =====
REPRESENTED BY:		1,598,490,837
Paid-in capital.....		4,247,348
Accumulated undistributed investment income-net		
Accumulated net realized gain (loss) on investments and foreign currency transactions.....		258,684,259
Accumulated net unrealized appreciation (depreciation) on investments and foreign currency transactions		207,030,614
NET ASSETS.....		\$2,068,453,058 =====
SHARES OUTSTANDING (300 MILLION SHARES OF \$.001 PAR VALUE COMMON STOCK AUTHORIZED).....		100,767,100
NET ASSET VALUE, offering and redemption price per share .....		\$20.53 =====

SEE NOTES TO FINANCIAL STATEMENTS.

</TABLE>

<TABLE>

DREYFUS GROWTH AND INCOME FUND, INC.

STATEMENT OF OPERATIONS

<S>

INVESTMENT INCOME

INCOME:	Cash dividends (net of \$210,290 foreign taxes withheld at source).....	\$ 27,137,112
	Interest .....	26,980,686

	Total Income.....		\$ 54,117,798
EXPENSES:	Management fee-Note 3(a).....	14,416,346	
	Shareholder servicing costs-Note 3(b).....	4,611,467	
	Custodian fees.....	230,038	
	Prospectus and shareholders' reports.....	165,539	
	Dividends on securities sold short.....	154,650	
	Directors' fees and expenses-Note 3(c).....	70,689	
	Registration fees.....	69,172	
	Professional fees.....	65,813	
	Miscellaneous.....	65,498	

	Total Expenses.....		19,849,212
INVESTMENT INCOME-NET.....			<u>34,268,586</u>

REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS-Note 4:

	Net realized gain (loss) on investments and foreign currency transactions		
	Long transactions.....	\$252,344,038	
	Short sale transactions.....	(2,522,040)	
	Net realized gain on financial futures.....	3,130,875	
	Net realized gain on forward currency exchange contracts.....	3,864,872	
	Net Realized Gain (Loss).....		256,817,745
	Net unrealized appreciation (depreciation) on investments, securities sold short and foreign currency transactions .....		42,647,165

NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS.....			<u>299,464,910</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS.....			<u>\$333,733,496</u>

SEE NOTES TO FINANCIAL STATEMENTS.

</TABLE>

<TABLE>

DREYFUS GROWTH AND INCOME FUND, INC.

STATEMENT OF CHANGES IN NET ASSETS

<S>

OPERATIONS:

	Year Ended October 31, 1996	Year Ended October 31, 1995
	<C>	<C>
Investment income-net.....	\$ 34,268,586	\$ 43,552,097
Net realized gain (loss) on investments.....	256,817,745	50,663,363
Net unrealized appreciation (depreciation) on investments.....	42,647,165	116,586,263
Net Increase (Decrease) in Net Assets Resulting from Operations...	<u>333,733,496</u>	<u>210,801,723</u>

DIVIDENDS TO SHAREHOLDERS FROM:

Investment income-net.....	(31,664,919)	(47,077,166)
Net realized gain on investments.....	(49,168,158)	(17,083,782)
Total Dividends.....	<u>(80,833,077)</u>	<u>(64,160,948)</u>

CAPITAL STOCK TRANSACTIONS :

Net proceeds from shares sold.....	535,580,601	311,302,461
Dividends reinvested.....	77,406,742	61,009,090
Cost of shares redeemed.....	(560,806,153)	(473,314,270)
Increase ( Decrease) in Net Assets from Capital Stock Transactions.	<u>52,181,190</u>	<u>(101,002,719)</u>

Total Increase (Decrease) in Net Assets.....	305,081,609	45,638,056
--	-------------	------------

NET ASSETS:

Beginning of Period.....	1,763,371,449	1,717,733,393
End of Period.....	<u>\$2,068,453,058</u>	<u>\$1,763,371,449</u>
Undistributed investment income-net.....	\$ 4,247,348	\$ 1,643,681

## CAPITAL SHARE TRANSACTIONS:

Shares sold.....	26,977,092	18,271,501
Shares issued for dividends reinvested.....	4,123,044	3,697,330
Shares redeemed.....	(28,518,323)	(27,976,446)
Net Increase (Decrease) in Shares Outstanding.....	2,581,813	(6,007,615)

SEE NOTES TO FINANCIAL STATEMENTS.

&lt;/TABLE&gt;

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DREYFUS GROWTH AND INCOME FUND, INC.  
FINANCIAL HIGHLIGHTS

Contained below is per share operating performance data for a share of Common Stock outstanding, total investment return, ratios to average net assets and other supplemental data for each period indicated. This information has been derived from the Fund's financial statements.

Year Ended October 31,

## PER SHARE DATA:

	1996	1995	1994	1993	1992 (1)
<S>	<C>	<C>	<C>	<C>	<C>
Net asset value, beginning of period.....	\$17.96	\$16.49	\$16.86	\$13.89	\$12.50
Investment Operations:					
Investment income-net.....	.35	.44	.34	.38	.19
Net realized and unrealized gain (loss) on investments.....	3.05	1.67	(.34)	2.95	1.38
Total from Investment Operations.....	3.40	2.11	--	3.33	1.57
Distributions:					
Dividends from investment income-net.....	(.32)	(.47)	(.33)	(.36)	(.18)
Dividends from net realized gain on investments	(.51)	(.17)	(.04)	--	--
Total Distributions.....	(.83)	(.64)	(.37)	(.36)	(.18)
Net asset value, end of period.....	\$20.53	\$17.96	\$16.49	\$16.86	\$13.89
TOTAL INVESTMENT RETURN.....	19.41%	13.17%	.05%	24.24%	12.57% (2)
RATIOS/SUPPLEMENTAL DATA:					
Ratio of operating expenses to average net assets	1.02%	1.05%	1.14%	1.24%	1.02% (2)
Ratio of dividends on securities sold short to average net assets.....	.01%	.01%	--	--	--
Ratio of net investment income to average net assets	1.78%	2.55%	2.18%	2.92%	2.30% (2)
Decrease reflected in above expense ratios due to undertakings by the Manager.....	--	--	--	.04%	.39% (2)
Portfolio Turnover Rate.....	131.30%	132.46%	97.47%	85.26%	127.24% (2)
Average commission rate paid(3).....	\$.1073	--	--	--	--
Net Assets, end of period (000's Omitted)....	\$2,068,453	\$1,763,371	\$1,717,733	\$1,165,503	\$98,532
(1) From December 31, 1991 (commencement of operations) to October 31, 1992.					
(2) Not annualized.					
(3) For fiscal years beginning November 1, 1995, the Fund is required to disclose its average commission rate paid per share for purchases and sales of investment securities.					

SEE NOTES TO FINANCIAL STATEMENTS.

&lt;/TABLE&gt;

## DREYFUS GROWTH AND INCOME FUND, INC.

## NOTES TO FINANCIAL STATEMENTS

## NOTE 1-SIGNIFICANT ACCOUNTING POLICIES:

Dreyfus Growth and Income Fund, Inc. (the "Fund") is registered under the Investment Company Act of 1940 ("Act") as a non-diversified open-end management investment company. The Fund's investment objective is to provide investors with long term capital growth, current income and growth of income, consistent with reasonable investment risk. The Dreyfus Corporation ("Manager") serves as the Fund's investment adviser. The Manager is a direct subsidiary of Mellon Bank, N.A. ("Mellon"). Premier Mutual Fund Services, Inc. acts as the distributor of the Fund's shares, which are sold to the public without a sales charge.

The Fund's financial statements are prepared in accordance with generally accepted accounting principles which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

(A) PORTFOLIO VALUATION: Investments in securities (including options and financial futures) are valued at the last sales price on the securities exchange on which such securities are primarily traded or at the last sales price on the national securities market. Securities not listed on an exchange or the national securities market, or securities for which there were no transactions, are valued at the average of the most recent bid and asked

prices, except for open short positions, where the asked price is used for valuation purposes. Bid price is used when no asked price is available. Securities for which there are no such valuations are valued at fair value as determined in good faith under the direction of the Board of Directors. Investments denominated in foreign currencies are translated to U.S. dollars at the prevailing rates of exchange. Forward currency exchange contracts are valued at the forward rate.

(B) FOREIGN CURRENCY TRANSACTIONS: The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

Net realized foreign exchange gains or losses arise from sales and maturities of short-term securities, sales of foreign currencies, currency gains or losses realized on securities transactions, the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books, and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities other than investments in securities, resulting from changes in exchange rates. Such gains and losses are included with net realized and unrealized gain or loss on investments.

(C) SECURITIES TRANSACTIONS AND INVESTMENT INCOME: Securities transactions are recorded on a trade date basis. Realized gain and loss from securities transactions are recorded on the identified cost basis. Dividend income is recognized on the ex-dividend date and interest income, including, where applicable, amortization of discount on investments, is recognized on the accrual basis.

(D) AFFILIATED ISSUERS: Issuers in which the Fund held 5% or more of the outstanding voting securities are defined as "affiliated" in the Act. The following summarizes affiliated issuers during the period ended October 31, 1996:

<TABLE>

Name of issuer	Shares				Dividend Income	Market Value
	Beginning of period	Purchase	Sale	End of Period		
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Mortgage Information	245,959	---	---	245,959	---	0

(E) DIVIDENDS TO SHAREHOLDERS: Dividends are recorded on the ex-dividend date. Dividends from investment income-net are declared and paid on a quarterly basis. Dividends from net realized capital gain are normally

</TABLE>

DREYFUS GROWTH AND INCOME FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

declared and paid annually, but the Fund may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code. To the extent that net realized capital gain can be offset by capital loss carryovers, if any, it is the policy of the Fund not to distribute such gain.

(F) FEDERAL INCOME TAXES: It is the policy of the Fund to continue to qualify as a regulated investment company, if such qualification is in the best interests of its shareholders, by complying with the applicable provisions of the Internal Revenue Code, and to make distributions of taxable income sufficient to relieve it from substantially all Federal income and excise taxes.

NOTE 2-BANK LINE OF CREDIT:

The Fund may borrow up to \$10 million for leveraging purposes under a short-term unsecured line of credit and participates with other Dreyfus-managed Funds in a \$100 million unsecured line of credit primarily to be utilized for temporary or emergency purposes, including the financing of redemptions. Interest is charged to the Fund at rates which are related to the Federal Funds rate in effect at the time of borrowings. For the period ended October 31, 1996, the Fund did not borrow under the lines of credit.

NOTE 3-MANAGEMENT FEE AND OTHER TRANSACTIONS WITH AFFILIATES:

(A) Pursuant to a management agreement ("Agreement") with the Manager, the management fee is computed at the annual rate of .75 of 1% of the value of the Fund's average daily net assets and is payable monthly. The Agreement provides that if in any full fiscal year the aggregate expenses of the Fund, exclusive of taxes, brokerage, interest on borrowings (which, in the view of Stroock & Stroock & Lavan, counsel to the Fund, also contemplates interest and dividends on securities sold short) and extraordinary expenses, exceed the expense limitation of any state having jurisdiction over the Fund, the Fund may deduct from payments to be made to the Manager, or the Manager will bear the amount of such excess to the extent required by state law. The most stringent state expense limitation applicable to the Fund presently requires reimbursement of expenses in any full fiscal year that such expenses (excluding certain expenses as described above) exceed 2-1/2% of the first \$30 million, 2% of the next \$70 million and 1-1/2% of the excess over \$100 million of the value of the Fund's average net assets in accordance with California "blue sky" regulations. No expense reimbursement was required pursuant to the Agreement for the period ended October 31, 1996.

(B) Pursuant to the Fund's Shareholder Services Plan, the Fund reimburses Dreyfus Service Corporation, a wholly-owned subsidiary of the Manager, an amount not to exceed an annual rate of .25 of 1% of the value of the Fund's average daily net assets for certain allocated expenses of providing personal services and/or maintaining shareholder accounts. The services provided may include personal services relating to shareholder accounts, such as answering shareholder inquiries regarding the Fund and providing reports and other information, and services related to the maintenance of shareholder accounts. During the period ended October 31, 1996, the Fund was charged an aggregate of \$2,529,722 pursuant to the Shareholder Services Plan.

Effective December 1, 1995, the Fund compensates Dreyfus Transfer, Inc., a wholly-owned subsidiary of the Manager, under a transfer agency agreement for providing personnel and facilities to perform transfer agency services for the Fund. Such compensation amounted to \$1,177,359 for the period ended October 31, 1996.

Effective May 10, 1996, the Fund entered into a custody agreement with Mellon to provide custodial services for the Fund. During the period ended October 31, 1996, \$92,172 was paid to Mellon pursuant to the custody agreement.

(C) Each director who is not an "affiliated person" as defined in the Act receives from the Fund an annual fee of \$4,500 and an attendance fee of \$500 per meeting. The Chairman of the Board receives an additional 25% of such compensation.

DREYFUS GROWTH AND INCOME FUND, INC.  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 NOTE 4-SECURITIES TRANSACTIONS:

(A) The following summarizes the aggregate amount of purchases and sales of investment securities and securities sold short, excluding short-term securities, financial futures and forward currency exchange contracts, during the period ended October 31, 1996:

	Purchases	Sales
<S>	<C>	<C>
Long transactions.....	\$2,227,516,127	\$2,309,876,269
Short sale transactions.....	49,165,589	54,969,796
Total .....	\$2,276,681,716	\$2,364,846,065

</TABLE>  
 The Fund is engaged in short-selling which obligates the Fund to replace the security borrowed by purchasing the security at current market value. The Fund would incur a loss if the price of the security increases between the date of the short sale and the date on which the Fund replaces the borrowed security. The Fund would realize a gain if the price of the security declines between those dates. Until the Fund replaces the borrowed security, the Fund will maintain daily, a segregated account with a broker and custodian, of cash and/or U.S. Government securities sufficient to cover its short position. Securities sold short at October 31, 1996, and their related market values and proceeds are set forth in the Statement of Securities Sold Short.

The following summarizes open forward currency exchange contracts at October 31, 1996:

Forward Currency Sale Contracts:	Foreign Currency Amount	Proceeds	Value	Unrealized Appreciation
<S>	<C>	<C>	<C>	<C>
Swiss Francs, expiring 11/15/96.....	20,000,000	\$16,000,000	\$15,784,074	\$215,926
Swiss Francs, expiring 11/25/96.....	12,000,000	9,596,162	9,480,171	115,991
Swiss Francs, expiring 12/04/96.....	13,000,000	10,344,553	10,270,996	73,557
Japanese Yen, expiring 11/25/96.....	1,300,000,000	11,553,502	11,436,615	116,887
				\$522,361
				=====

</TABLE>  
 The Fund enters into forward currency exchange contracts in order to hedge its exposure to changes in foreign currency exchange rates on its foreign portfolio holdings. When executing forward currency exchange contracts, the Fund is obligated to buy or sell a foreign currency at a specified rate on a certain date in the future. With respect to sales of forward currency exchange contracts, the Fund would incur a loss if the value of the contract increases between the date the forward contract is opened and the date the forward contract is closed. The Fund realizes a gain if the value of the contract decreases between those dates. With respect to purchases of forward currency exchange contracts, the Fund would incur a loss if the value of the contract decreases between the date the forward contract is opened and the date the forward contract is closed. The Fund realizes a gain if the value of the contract increases between those dates. The Fund is

also exposed to credit risk associated with counter party nonperformance on these forward currency exchange contracts which is typically limited to the unrealized gains on such contracts that are recognized in the Statement of Assets and Liabilities.

The Fund may invest in financial futures contracts in order to gain exposure to or to protect against changes in the market. The Fund is exposed to market risk as a result of changes in the value of the underlying financial instruments. Investments in financial futures require the Fund to "mark to market" on a daily basis, which reflects the change in the market value of the contract at the close of each day's trading. Typically, variation margin payments are made or

DREYFUS GROWTH AND INCOME FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

received to reflect daily unrealized gains or losses. When the contracts are closed, the Fund recognizes a realized gain or loss. These investments require initial margin deposits with a custodian, which consist of cash or cash equivalents, up to approximately 10% of the contract amount. The amount of these deposits is determined by the exchange or Board of Trade on which the contract is traded and is subject to change. At October 31, 1996, there were no financial futures contracts outstanding.

(B) At October 31, 1996, accumulated net unrealized appreciation on investments, securities sold short and forward currency exchange contracts was \$207,031,412, consisting of \$258,190,399 gross unrealized appreciation and \$51,158,987 gross unrealized depreciation.

At October 31, 1996, the cost of investments for Federal income tax purposes was substantially the same as the cost for financial reporting purposes (see the Statement of Investments).

DREYFUS GROWTH AND INCOME FUND, INC.

REPORT OF ERNST & YOUNG LLP, INDEPENDENT AUDITORS

SHAREHOLDERS AND BOARD OF DIRECTORS

DREYFUS GROWTH AND INCOME FUND, INC.

We have audited the accompanying statement of assets and liabilities of Dreyfus Growth and Income Fund, Inc., including the statements of investments and securities sold short, as of October 31, 1996, and the related statement of operations for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, and financial highlights for each of the years indicated therein. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included verification by examination of securities held by the custodian as of October 31, 1996 and confirmation of securities not held by the custodian by correspondence with others. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Dreyfus Growth and Income Fund, Inc. at October 31, 1996, the results of its operations for the year then ended, 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 indicated years, in conformity with generally accepted accounting principles.

(Ernst & Young LLP Signature Logo)

New York, New York

December 13, 1996

DREYFUS GROWTH AND INCOME FUND, INC.

IMPORTANT TAX INFORMATION (UNAUDITED)

For Federal tax purposes the Fund hereby designates \$.457 per share as a long-term capital gain distribution of the \$.596 per share paid on December 15, 1995.

The Fund also designates 21.58% of the ordinary dividends paid during the fiscal year ended October 31, 1996 as qualifying for the corporate dividends received deduction. Shareholders will receive notification in January 1997 of the percentage applicable to the preparation of their 1996 income tax returns.

(Dreyfus Lion D Logo)

DREYFUS GROWTH AND INCOME FUND, INC.

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New York, NY 10166

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COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT  
IN DREYFUS GROWTH AND INCOME FUND, INC. AND THE  
STANDARD & POOR'S 500 COMPOSITE STOCK PRICE INDEX

EXHIBIT A:

PERIOD	DREYFUS GROWTH AND INCOME FUND	STANDARD & POOR'S 500 COMPOSITE STOCK PRICE INDEX *
12/31/91	10,000	10,000
10/31/92	11,257	10,281
10/31/93	13,986	11,814
10/31/94	13,993	12,270
10/31/95	15,836	15,510
10/31/96	18,910	19,245

\*Sourc: Lipper Analytical Services, Inc.