

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE TO

Tender Offer Statement Under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934
(Amendment No. 30)

TARO PHARMACEUTICAL INDUSTRIES LTD.

(Name of Subject Company (Issuer))

ALKALOIDA CHEMICAL COMPANY EXCLUSIVE GROUP LTD.

(Name of Filing Person (Offeror))

a subsidiary of

SUN PHARMACEUTICAL INDUSTRIES LTD.

ORDINARY SHARES, NOMINAL (PAR) VALUE NIS 0.0001 PER SHARE

(Title of Class of Securities)

M8737E108

(CUSIP Number of Class of Securities)

Mr. Harin P. Mehta

Director

Alkaloida Chemical Company Exclusive Group Ltd.

Kabay János u. 29, H-4440 Tiszavasari, The Republic of Hungary

+36-42-521-005

(Name, Address and Telephone Number of Persons Authorized to Receive Notices
and Communications on Behalf of filing persons)

Copy to:

Peter D. Lyons

Shearman & Sterling LLP

599 Lexington Avenue

New York, New York 10022

(212) 848-4000

Clifford M. J. Felig

Meitar Liquornik Geva & Leshem Brandwein

16 Abba Hillel Silver Rd.

Ramat Gan 52506, Israel

(972) 3-610-3100

CALCULATION OF FILING FEE

Transaction Valuation*	Amount of Filing Fee**
\$194,554,682.50	\$7,646.00

* Estimated for purposes of calculating the amount of the filing fee only. Calculated by multiplying \$7.75, the per share tender offer price, by 25,103,830 shares.

** Calculated as 0.00393% of the transaction value.

R Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$7,800.00

Filing Party: Alkaloida Chemical Company Exclusive Group Ltd.

Form or Registration No.: Schedule TO

Date Filed: June 30, 2008

£ Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes to designate any transactions to which the statement relates:

R third-party tender offer subject to Rule 14d-1.

£ issuer tender offer subject to Rule 13e-4.

£ going-private transaction subject to Rule 13e-3.

£ amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer: £

This Amendment No. 30 (this “Amendment”) amends and supplements the Tender Offer Statement on Schedule TO filed on June 30, 2008, as amended by Amendment No. 1 through Amendment No. 29 (as so amended, the “Schedule TO”) by Alkaloida Chemical Company Exclusive Group Ltd. (“Purchaser”), a Hungarian company and a subsidiary of Sun Pharmaceutical Industries Ltd. (“Sun”), an Indian company. This Schedule TO relates to the offer by Purchaser to purchase all outstanding Ordinary Shares, nominal (par) value NIS 0.0001 per share, of Taro Pharmaceutical Industries Ltd. (the “Company”), an Israeli corporation, at a purchase price of \$7.75 per Ordinary Share, net to the seller in cash (subject to applicable withholding taxes), without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase dated June 30, 2008 and in the related Letter of Transmittal. Except as specifically provided herein, this Amendment does not modify any of the information previously reported on the Schedule TO.

Item 8. Interest in Securities of the Subject Company.

Item 8 of Schedule TO is hereby amended and supplemented as follows:

On December 14, 2009, counsel to Sun and Purchaser sent a letter, attached hereto as Exhibit (a)(5)(AA), to counsel to the Company, refuting the arguments given by the Company for refusing to issue Ordinary Shares upon Sun’s exercise of a warrant on December 1, 2009.

Item 12. Exhibits.

Item 12 of the Schedule TO is hereby amended and restated as follows:

- (a)(1)(A) Offer to Purchase dated June 30, 2008.*
- (a)(1)(B) Form of Letter of Transmittal.*
- (a)(1)(C) Form of Notice of Guaranteed Delivery.*
- (a)(1)(D) Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.*
- (a)(1)(E) Form of Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.*
- (a)(1)(F) Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.*
- (a)(1)(G) Declaration of Status for Israeli Income Tax Purposes.*
- (a)(1)(H) Tax Declaration Form for Israeli Financial Institutions.*

* Previously filed.

- (a)(5)(A) Summary Advertisement as published in *The Wall Street Journal* on June 30, 2008.*
- (a)(5)(B) Text of Press Release issued by Sun on June 25, 2008, incorporated by reference to the Statement on Schedule 13D (including exhibits), originally filed by Sun, Sun Pharma Global Inc. and Purchaser, with respect to the Ordinary Shares, par value NIS 0.0001 per share of the Company, with the U.S. Securities and Exchange Commission (the “Original Schedule 13D”); the Amendment No. 1 to the Original Schedule 13D, filed on July 25, 2007 (the “Amendment No. 1”); the Amendment No. 2 to the Original Schedule 13D, filed on August 2, 2007 (the “Amendment No. 2”); the Amendment No. 3 to the Original Schedule 13D, filed on February 19, 2008 (the “Amendment No. 3”); the Amendment No. 4 to the Original Schedule 13D, filed on May 29, 2008 (the “Amendment No. 4”); the Amendment No. 5 to the Original Schedule 13D, filed on June 5, 2008 (the “Amendment No. 5”); the Amendment No. 6 to the Original Schedule 13D, filed on June 24, 2008; the Amendment No. 7 to the Original Schedule 13D, filed on June 25, 2008 (the “Amendment No. 7”, together with the Original Schedule 13D, the Amendment No. 1, the Amendment No. 2, the Amendment No. 3, the Amendment No. 4, the Amendment No. 5 and the Amendment No. 6, the “Schedule 13D”) and by reference to Statement on Schedule TO filed by Purchaser on June 25, 2008.*
- (a)(5)(C) Text of Press Release issued by Purchaser on June 30, 2008.*
- (a)(5)(D) Text of Press Release issued by Purchaser on July 14, 2008.*
- (a)(5)(E) Text of Press Release issued by Sun on July 30, 2008.*
- (a)(5)(F) Text of Press Release issued by Sun on August 13, 2008.*
- (a)(5)(G) Text of Press Release issued by Sun on August 27, 2008.*
- (a)(5)(H) Text of Press Release issued by Sun on August 27, 2008.*
- (a)(5)(I) Text of Press Release issued by Sun on September 3, 2008.*
- (a)(5)(J) Text of Press Release issued by Sun on October 3, 2008.*
- (a)(5)(K) Text of Press Release issued by Sun on November 7, 2008.*
- (a)(5)(L) Text of Press Release issued by Sun on December 19, 2008.*
- (a)(5)(M) Text of letter from Sun’s Chairman and Managing Director, Dilip Shanghvi, to Myron Strober, Chairman of the Audit Committee of the Board of Directors of the Company, dated January 2, 2009, regarding the financial statements of the Company.*
- (a)(5)(N) Text of Press Release issued by Sun on January 7, 2009.*

- (a)(5)(O) Text of Press Release issued by Sun on January 29, 2009.*
- (a)(5)(P) Text of Press Release issued by Sun on March 6, 2009.*
- (a)(5)(Q) Text of Press Release issued by Sun on March 20, 2009.*
- (a)(5)(R) Text of Press Release issued by Sun on April 3, 2009.*
- (a)(5)(S) Text of Press Release issued by Sun on April 17, 2009.*
- (a)(5)(T) Text of Press Release issued by Sun on April 24, 2009.*
- (a)(5)(U) Text of letter from Purchaser to the Company's shareholders, dated June 18, 2009, distributed to the Company's shareholders along with the Tax Declaration Form for Israeli Financial Institutions.*
- (a)(5)(V) Text of Press Release issued by Sun on August 13, 2009.*
- (a)(5)(W) Text of Press Release issued by Sun on August 28, 2009.*
- (a)(5)(X) Text of Press Release issued by Sun on September 14, 2009.*
- (a)(5)(Y) Complaint filed by the Company on September 30, 2009 in the United States District Court for the Southern District of New York against Sun, Purchaser, Aditya and Caraco.*
- (a)(5)(Z) Position Statement with respect to the Annual General Meeting of the Company's shareholders scheduled for December 31, 2009, submitted by Purchaser to the Company on December 10, 2009 for distribution to the Company's shareholders.*
- (a)(5)(AA) Letter, dated December 14, 2009, from counsel to Sun and Alkaloida to counsel to the Company.
- (b) Not applicable.
- (d)(A) Agreement of Merger, dated as of May 18, 2007, among Purchaser, Aditya Acquisition Company Ltd. and the Company, incorporated by reference to the Schedule 13D.*
- (d)(B) Amendment No. 1 to Agreement of Merger, dated as of July 23, 2007, among Purchaser, Aditya Acquisition Company Ltd. and the Company, incorporated by reference to the Schedule 13D.*
- (d)(C) Option Letter Agreement, dated as of May 18, 2007, among Taro Development Corporation, Barrie Levitt, Tal Levitt, Daniel Moros, Jacob Levitt and Purchaser, incorporated by reference to the Schedule 13D.*
- (d)(D) Share Purchase Agreement, dated as of May 18, 2007, among Purchaser and the Company, incorporated by reference to the Schedule 13D.*
- (d)(E) Agreement and Plan of Merger, dated as of May 18, 2007, among Sun Pharmaceutical Industries, Inc., Sun Development Corporation I, Taro

- (d)(E) Agreement and Plan of Merger, dated as of May 18, 2007, among Sun Pharmaceutical Industries, Inc., Sun Development Corporation I, Taro Development Corporation, Barrie Levitt and Daniel Moros, incorporated by reference to the Schedule 13D.*
- (d)(F) Voting Agreement, dated as of May 18, 2007, between Purchaser and Barrie Levitt.*
- (d)(G) Voting Agreement, dated as of May 18, 2007, between Purchaser and Daniel Moros.*
- (d)(H) Voting Agreement, dated as of May 18, 2007, between Purchaser and Tal Levitt.*
- (d)(I) Voting Agreement, dated as of May 18, 2007, between Purchaser and Taro Development Corporation.*
- (d)(J) Voting Agreement, dated as of May 18, 2007, between Purchaser and Morley & Company, Inc.*
- (d)(K) Voting Agreement, dated as of May 18, 2007, between Sun Pharmaceutical Industries, Inc. and Barrie Levitt.*
- (d)(L) Voting Agreement, dated as of May 18, 2007, between Sun Pharmaceutical Industries, Inc. and Daniel Moros.*
- (d)(M) Voting Agreement, dated as of May 18, 2007, between Sun Pharmaceutical Industries, Inc. and Tal Levitt.*
- (d)(N) Voting Agreement, dated as of May 18, 2007, between Sun Pharmaceutical Industries, Inc. and Jacob Levitt.*
- (d)(O) Warrant, dated as of May 18, 2007, issued by the Company to Sun, incorporated by reference to the Schedule 13D.*
- (d)(P) Warrant No. 2, dated as of August 1, 2007, issued by the Company to Sun, incorporated by reference to the Schedule 13D.*
- (d)(Q) Registration Rights Agreement, dated as of May 18, 2007, between the Company and Purchaser, incorporated by reference to the Schedule 13D.*
- (d)(R) Assignment and Assumption Agreement, dated as of June 24, 2008, between Purchaser and Sun, incorporated by reference to Schedule 13D.*
- (d)(S) Irrevocable Trust Agreement, dated as of June 29, 2008, between Purchaser and Ubank Trust Company Ltd.*
- (d)(T) A letter of demand for delivery pursuant to the Option Agreement, dated August 27, 2008, from Purchaser to Taro Development Corporation, Barrie Levitt, Tal Levitt, Jacob Levitt and Daniel Moros.*

- (d)(U) A letter from Sun’s Chairman and Managing Director, Dilip Shanghvi, to the Company’s Board of Directors, dated January 2, 2009, regarding proposed settlement terms for the STO Litigation.*
- (d)(V) A letter from Sun’s Chairman and Managing Director, Dilip Shanghvi, to the Company’s Board of Directors, dated January 7, 2009, in response to the letters from Dr. Levitt, dated January 4 and January 6, 2009.*
- (g) Not applicable.
- (h) Not applicable.

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: December 14, 2009

ALKALOIDA CHEMICAL COMPANY
EXCLUSIVE GROUP LTD.

By: /s/ Harin Mehta

Name: Mr. Harin Mehta

Title: Director

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: December 14, 2009

SUN PHARMACEUTICAL INDUSTRIES LTD.

By: /s/ Sudhir V. Valia

Name: Mr. Sudhir V. Valia

Title: Director

EXHIBIT INDEX

Exhibit No.

(a)(1)(A)	Offer to Purchase dated June 30, 2008.*
(a)(1)(B)	Form of Letter of Transmittal.*
(a)(1)(C)	Form of Notice of Guaranteed Delivery.*
(a)(1)(D)	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.*
(a)(1)(E)	Form of Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.*
(a)(1)(F)	Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.*
(a)(1)(G)	Declaration of Status for Israeli Income Tax Purposes.*
(a)(1)(H)	Tax Declaration Form for Israeli Financial Institutions.*
(a)(5)(A)	Summary Advertisement as published in <i>The Wall Street Journal</i> on June 30, 2008.*
(a)(5)(B)	Text of Press Release issued by Sun on June 25, 2008, incorporated by reference to the Statement on Schedule 13D (including exhibits), originally filed by Sun, Sun Pharma Global Inc. and Purchaser, with respect to the Ordinary Shares, par value NIS 0.0001 per share of the Company, with the U.S. Securities and Exchange Commission (the “Original Schedule 13D”); the Amendment No. 1 to the Original Schedule 13D, filed on July 25, 2007 (the “Amendment No. 1”); the Amendment No. 2 to the Original Schedule 13D, filed on August 2, 2007 (the “Amendment No. 2”); the Amendment No. 3 to the Original Schedule 13D, filed on February 19, 2008 (the “Amendment No. 3”); the Amendment No. 4 to the Original Schedule 13D, filed on May 29, 2008 (the “Amendment No. 4”); the Amendment No. 5 to the Original Schedule 13D, filed on June 5, 2008 (the “Amendment No. 5”); the Amendment No. 6 to the Original Schedule 13D, filed on June 24, 2008; the Amendment No. 7 to the Original Schedule 13D, filed on June 25, 2008 (the “Amendment No. 7”, together with the Original Schedule 13D, the Amendment No. 1, the Amendment No. 2, the Amendment No. 3, the Amendment No. 4, the Amendment No. 5 and the Amendment No. 6, the “Schedule 13D”) and by reference to Statement on Schedule TO filed by Purchaser on June 25, 2008.*

* Previously filed.

(a)(5)(C)	Text of Press Release issued by Purchaser on June 30, 2008.*
(a)(5)(D)	Text of Press Release issued by Purchaser on July 14, 2008.*
(a)(5)(E)	Text of Press Release issued by Sun on July 30, 2008.*
(a)(5)(F)	Text of Press Release issued by Sun on August 13, 2008.*
(a)(5)(G)	Text of Press Release issued by Sun on August 27, 2008.*
(a)(5)(H)	Text of Press Release issued by Sun on August 27, 2008.*
(a)(5)(I)	Text of Press Release issued by Sun on September 3, 2008.*
(a)(5)(J)	Text of Press Release issued by Sun on October 3, 2008.*
(a)(5)(K)	Text of Press Release issued by Sun on November 7, 2008.*
(a)(5)(L)	Text of Press Release issued by Sun on December 19, 2008.*
(a)(5)(M)	Text of letter from Sun's Chairman and Managing Director, Dilip Shanghvi, to Myron Strober, Chairman of the Audit Committee of the Board of Directors of the Company, dated January 2, 2009, regarding the financial statements of the Company.*
(a)(5)(N)	Text of Press Release issued by Sun on January 7, 2009.*
(a)(5)(O)	Text of Press Release issued by Sun on January 29, 2009.*
(a)(5)(P)	Text of Press Release issued by Sun on March 6, 2009.*
(a)(5)(Q)	Text of Press Release issued by Sun on March 20, 2009.*
(a)(5)(R)	Text of Press Release issued by Sun on April 3, 2009.*
(a)(5)(S)	Text of Press Release issued by Sun on April 17, 2009.*
(a)(5)(T)	Text of Press Release issued by Sun on April 24, 2009.*
(a)(5)(U)	Text of letter from Purchaser to the Company's shareholders, dated June 18, 2009, distributed to the Company's shareholders along with the Tax Declaration Form for Israeli Financial Institutions.*
(a)(5)(V)	Text of Press Release issued by Sun on August 13, 2009.*
(a)(5)(W)	Text of Press Release issued by Sun on August 28, 2009.*
(a)(5)(X)	Text of Press Release issued by Sun on September 14, 2009.*

- (a)(5)(Y) Complaint filed by the Company on September 30, 2009 in the United States District Court for the Southern District of New York against Sun, Purchaser, Aditya and Caraco.*
- (a)(5)(Z) Position Statement with respect to the Annual General Meeting of the Company's shareholders scheduled for December 31, 2009, submitted by Purchaser to the Company on December 10, 2009 for distribution to the Company's shareholders.*
- (a)(5)(AA) Letter, dated December 14, 2009, from counsel to Sun and Alkaloida to counsel to the Company.
- (b) Not applicable.
- (d)(A) Agreement of Merger, dated as of May 18, 2007, among Purchaser, Aditya Acquisition Company Ltd. and the Company, incorporated by reference to the Schedule 13D.*
- (d)(B) Amendment No. 1 to Agreement of Merger, dated as of July 23, 2007, among Purchaser, Aditya Acquisition Company Ltd. and the Company, incorporated by reference to the Schedule 13D.*
- (d)(C) Option Letter Agreement, dated as of May 18, 2007, among Taro Development Corporation, Barrie Levitt, Tal Levitt, Daniel Moros, Jacob Levitt and Purchaser, incorporated by reference to the Schedule 13D.*
- (d)(D) Share Purchase Agreement, dated as of May 18, 2007, among Purchaser and the Company, incorporated by reference to the Schedule 13D.*
- (d)(E) Agreement and Plan of Merger, dated as of May 18, 2007, among Sun Pharmaceutical Industries, Inc., Sun Development Corporation I, Taro Development Corporation, Barrie Levitt and Daniel Moros, incorporated by reference to the Schedule 13D.*
- (d)(F) Voting Agreement, dated as of May 18, 2007, between Purchaser and Barrie Levitt.*
- (d)(G) Voting Agreement, dated as of May 18, 2007, between Purchaser and Daniel Moros.*
- (d)(H) Voting Agreement, dated as of May 18, 2007, between Purchaser and Tal Levitt.*
- (d)(I) Voting Agreement, dated as of May 18, 2007, between Purchaser and Taro Development Corporation.*
- (d)(J) Voting Agreement, dated as of May 18, 2007, between Purchaser and Morley & Company, Inc.*
- (d)(K) Voting Agreement, dated as of May 18, 2007, between Sun Pharmaceutical Industries, Inc. and Barrie Levitt.*
-

- (d)(L) Voting Agreement, dated as of May 18, 2007, between Sun Pharmaceutical Industries, Inc. and Daniel Moros.*
- (d)(M) Voting Agreement, dated as of May 18, 2007, between Sun Pharmaceutical Industries, Inc. and Tal Levitt.*
- (d)(N) Voting Agreement, dated as of May 18, 2007, between Sun Pharmaceutical Industries, Inc. and Jacob Levitt.*
- (d)(O) Warrant, dated as of May 18, 2007, issued by the Company to Sun, incorporated by reference to the Schedule 13D.*
- (d)(P) Warrant No. 2, dated as of August 1, 2007, issued by the Company to Sun, incorporated by reference to the Schedule 13D.*
- (d)(Q) Registration Rights Agreement, dated as of May 18, 2007, between the Company and Purchaser, incorporated by reference to the Schedule 13D.*
- (d)(R) Assignment and Assumption Agreement, dated as of June 24, 2008, between Purchaser and Sun, incorporated by reference to Schedule 13D.*
- (d)(S) Irrevocable Trust Agreement, dated as of June 29, 2008, between Purchaser and Ubank Trust Company Ltd.*
- (d)(T) A letter of demand for delivery pursuant to the Option Agreement, dated August 27, 2008, from Purchaser to Taro Development Corporation, Barrie Levitt, Tal Levitt, Jacob Levitt and Daniel Moros.*
- (d)(U) A letter from Sun's Chairman and Managing Director, Dilip Shanghvi, to the Company's Board of Directors, dated January 2, 2009, regarding proposed settlement terms for the STO Litigation.*
- (d)(V) A letter from Sun's Chairman and Managing Director, Dilip Shanghvi, to the Company's Board of Directors, dated January 7, 2009, in response to the letters from Dr. Levitt, dated January 4 and January 6, 2009.*
- (g) Not applicable.
- (h) Not applicable.
-

SHEARMAN & STERLING^{LLP}

599 LEXINGTON AVENUE | NEW YORK | NY | 10022-6069

WWW.SHEARMAN.COM | T +1.212.848.4000 | F +1.212.848.7179

plyons@shearman.com
+1.212.848.7666

December 14, 2009

Jeffrey W. Tindell
Skadden, Arps, Slate, Meagher & Flom LLP
4 Times Square
New York, NY 10036
jeffrey.tindell@skadden.com

Re: Taro's Refusal to Issue Shares following Sun's Exercise of Warrant No. 2

Dear Jeff:

We write in response to your letter, dated December 1, 2009, as well as the attached letter of the same date from Dror Vigdor to Taro Pharmaceutical Industries Ltd. (the "Company") seeking to justify the Company's refusal to issue Ordinary Shares following the exercise of Warrant No. 2 by Sun Pharmaceutical Industries, Ltd. ("Sun"). As explained below, we find the arguments set forth in Mr. Vigdor's letter unpersuasive.

First, the scope of the Israeli Supreme Court's temporary order is limited to the subject matter at issue in the appeal: Alkaloida's tender offer and Sun's exercise of the options granted to it by the Levitt family. The exercise of Warrant No. 2 does not implicate any of the issues that are the subject of the appeal, and the order does not prohibit Sun from exercising the warrant. Sun filed a request with the Supreme Court today seeking confirmation from the Court that the order does not prevent Sun's exercise of Warrant No. 2.

Second, we find the Company's assertion that the exercise of Warrant No. 2 requires the approval of the Israeli Land Authority ("ILA") both surprising and unconvincing. You may recall that, at Barrie Levitt's request, on August 2, 2007, Sun partially exercised the predecessor to Warrant No. 2. When they were begging for Sun's capital in 2007, neither Barrie Levitt, the Company nor its counsel raised any issue regarding the need for ILA or any other governmental approval for Sun to exercise that warrant. Quite to the contrary, although ILA approval of the Merger Agreement was pending at that time, Mr. Vigdor's firm, Yigal Arnon & Co., issued an opinion, a copy of which is enclosed, stating that, "upon payment of the Exercise Price, the Warrant Shares will be duly and validly issued..." We would have thought that such an opinion could not have been issued if a requisite Israeli governmental approval had not been obtained. Accordingly, we find the Company's current position completely disingenuous.

ABU DHABI | BEIJING | BRUSSELS | DÜSSELDORF | FRANKFURT | HONG KONG | LONDON | MENLO PARK | MUNICH
NEW YORK | PARIS | ROME | SAN FRANCISCO | SÃO PAULO | SHANGHAI | SINGAPORE | TOKYO | TORONTO | WASHINGTON, DC

SHEARMAN & STERLING LLP IS A LIMITED LIABILITY PARTNERSHIP ORGANIZED IN THE UNITED STATES UNDER THE LAWS OF THE STATE OF DELAWARE, WHICH LAWS LIMIT THE PERSONAL LIABILITY OF PARTNERS.

December 14, 2009

In sum, the Company's arguments for refusing to issue Ordinary Shares upon Sun's exercise of Warrant No. 2 are nothing more than a transparent pretext to try to disenfranchise Sun and continue to entrench the Levitt family.

Warrant No. 2 was properly exercised on December 1, 2009 and Sun and Alkaloida reserve all rights with respect to this matter.

Sincerely,

/s/ Peter D. Lyons

Peter D. Lyons

Enclosure

cc: Barrie Levitt (barrie.levitt@taro.com)
cc: David Schapiro (davids@arnon.co.il)
cc: Uday Baldota (uday.baldota@sunpharma.com)
cc: Clifford Felig (cfelig@meitar.com)

YIGAL ARNON & CO.
ADVOCATES AND NOTARY

Tel Aviv July 27, 2007

To:
Alkaloida Chemical Company Exclusive Group Ltd.

Re: Warrant Exercise to Purchase 3,000,000 Ordinary Shares of Taro Pharmaceutical Industries Ltd.

We have acted as Israeli counsel to Taro Pharmaceutical Industries Ltd. (the “Company”) in connection with the partial exercise of Warrant Certificate No. 1, dated May 18, 2007 (the “Warrant”), to purchase 3,000,000 Ordinary Shares of the Company (the “Warrant Shares”), in the amount of US\$18,000,000 (the “Exercise Price”) in accordance with the terms of the Warrant.

We are of the opinion that upon payment of the Exercise Price, the Warrant Shares will be duly and validly issued, fully paid and non-assessable.

This opinion letter speaks only as of its date and we disclaim any express or implied undertakings or obligation to advise you, after the date hereof, of any subsequent change of law or fact (even though the change may affect the legal analysis, a legal conclusion or an informational confirmation in this opinion letter).

Very truly yours,

/s/ Yigal Arnon & Co.

Yigal Arnon & Co.
