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

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of May 2023

Commission File Number **001-35463**

Taro Pharmaceutical Industries Ltd.

(Translation of Registrant's name into English)

14 Hakitor Street, Haifa Bay 2624761, Israel

(Address of Principal Executive Office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

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Potential Transaction with Controlling Shareholder

On May 26, 2023, at a meeting of the board of directors (the “**Board**”) of Taro Pharmaceutical Industries Ltd. (“**Taro**” or the “**Company**”), the Company’s controlling shareholder, Sun Pharmaceutical Industries Ltd. (“**Sun**”) informed the Board that it was considering to make a proposal to acquire all of the outstanding ordinary shares, par value 0.0001 New Israeli Shekels, per share, of the Company (“**ordinary shares**”), other than any shares already held by Sun or its affiliates. On May 26, 2023, Sun delivered a proposal letter to the Board that contained a non-binding indication of interest to acquire all of the outstanding ordinary shares, other than any shares already held by Sun or its affiliates, for a purchase price of US \$38 per share, in cash (the “**Proposal**”). The Proposal indicated that the proposed purchase price per ordinary share represents a premium of 31.2% over the closing price of the ordinary shares on May 25, 2023, and a 41.5% premium over the average closing price of the ordinary shares over the 60 trading days preceding the date of the Board meeting.

In order to evaluate the Proposal, the Board has appointed a special committee of the Board, comprised of Linda Benshoshan, Dr. Robert Stein and Dov Pekelman, each of whom has been affirmatively determined by the Board to qualify as an independent director (under the criteria set forth in Section 303A.02 of the New York Stock Exchange (“**NYSE**”) listed company manual) and non-affiliated director (under the definition provided in the Israeli Companies Law, 5759-1999).

The consummation of a transaction based on the Proposal could result in, among other actions, a merger or other extraordinary transaction involving Taro, the delisting of the ordinary shares from the NYSE, and the termination of registration of the ordinary shares under Section 12(b) and/or 12(g) of the Securities Exchange Act of 1934, as amended.

At the current time, no assurance can be given as to whether there will be a definitive agreement reached with respect to the Proposal, the terms or conditions of any such agreement, or whether the proposed transaction will eventually be consummated.

A copy of the Proposal is furnished as Exhibit 99.1 to this Report of Foreign Private Issuer on Form 6-K (this “**Form 6-K**”), and is incorporated by reference herein.

Exhibits

Exhibit No.	Description
99.1	Proposal, dated May 26, 2023, presented by Sun Pharmaceutical Industries Ltd. to board of directors of Taro Pharmaceutical Industries Ltd. for potential transaction

SIGNATURES

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

TARO PHARMACEUTICAL INDUSTRIES LTD.

By: /s/ Uday Baldota

Name: Uday Baldota

Title: Chief Executive Officer

Date: May 26, 2023

Strictly Private and Confidential
Non-Binding

Board of Directors
Taro Pharmaceutical Industries Ltd.
14 Hakitor Street
Haifa Bay 2624761
Israel

May 26, 2023

Re: Indicative Non-binding Proposal (the “Proposal”)

Dear Members of the Board of Directors,

Sun Pharmaceutical Industries Ltd. (“**Sun Pharma**”), by itself or by any affiliated entity (“**Purchaser**”), is pleased to present this Proposal in relation to a potential acquisition of all of the shares of Taro Pharmaceutical Industries Ltd. other than those shares currently held by Sun Pharma or its affiliates (“**Taro**” or the “**Company**”) through a reverse triangular merger, as further detailed herein (the “**Proposed Transaction**”).

We believe that the Proposed Transaction provides a compelling liquidity opportunity for the Company’s shareholders and will benefit the Company and all of its stakeholders.

As part of this Indicative Proposal, we have listed below the relevant components of the Proposed Transaction. We are available to clarify and discuss our Indicative Proposal at your convenience.

1. Proposed Transaction Structure

This Indicative Proposal contemplates an all-cash transaction to acquire all of the outstanding shares of capital stock of Taro (other than those shares currently held by Sun Pharma or its affiliates) (the “**Shares**”), free and clear of all encumbrances, such that following completion of the Proposed Transaction Sun Pharma will hold 100% of the outstanding share capital of Taro on a fully diluted basis. We envisage the Proposed Transaction to be consummated in the form of a reverse triangular merger under the Israeli Companies Law, 1999 (“**ICL**”) and practice. In this context, Purchaser shall form a wholly owned subsidiary (the “**SPV**”), which shall enter into a merger agreement with Taro, with the SPV merging with and into Taro and Taro surviving the merger transaction. Consequently, Taro shall become a wholly owned subsidiary of Purchaser and be de-listed from NYSE. As this is a common practice in Israel, we believe that such transaction structure would benefit all stakeholders of Taro and may be performed in a swift and certain manner.

2. Purchase Consideration and Timing

The purchase price for the Shares would be US \$38 per ordinary share (the “**Purchase Price**”) in cash, payable in full at the closing of the Proposed Transaction. The Purchase Price represents a premium of 31.2% over Taro’s closing price on May 25, 2023, a 41.5% premium over Taro’s average closing price in the last 60 days and a compelling liquidity opportunity for Taro’s shareholders.

We understand that the Company's Board of Directors has appointed an independent committee (the “**Special Committee**”), in order to evaluate this Proposal. In this regard, as the Purchaser is not willing to consider a sale of its shares to a third party, we believe that it shall enable the Special Committee to conduct a simple and efficient process. We would welcome the opportunity to discuss our Proposal with the Special Committee and its advisors.

3. Financing

The Proposed Transaction will not be subject to any financing contingency.

4. Timeline

Given the compelling nature of this opportunity for Taro's shareholders, we have committed the necessary resources to engage with the Special Committee and its advisors with a view to working efficiently to achieve a signing and closing of the Proposed Transaction in an expedited manner.

5. Internal and Other Approvals

Final approval of the Proposed Transaction remains subject to (i) final approval of transaction terms by Sun Pharma's management and Board of Directors; (ii) execution and delivery of binding contractual documentation to the satisfaction of all parties; (iii) approval of all the governing bodies, including the shareholders of Taro in accordance with Section 270(4) and 275 of the ICL; (iv) receipt of any third-party approvals, if needed; and (v) receipt of applicable regulatory approvals, including from any relevant Anti-Trust Authorities to the extent required.

6. Other Conditions

The binding contractual documentation will include customary terms and conditions, including representations; covenants and undertakings; and other customary conditions for closing etc.

7. Other Matters

This Indicative Proposal does not and is not intended to constitute a commitment to purchase, negotiate, enter into any binding agreement, or to complete the Proposed Transaction, or any transaction at all, until a binding agreement is entered into between the parties, and is not intended to be exhaustive of all matters which may be subsequently covered in future negotiations, requests for information, agreements, and contracts. Purchaser reserves the right to terminate any on-going discussion and negotiation concerning the Proposed Transaction at its own discretion and for any reason whatsoever.

Please note that we will be amending our Schedule 13D to reflect the submission of this Proposal.

8. Governing Law; Jurisdiction

This letter shall be governed by, and construed in accordance with, the laws of Israel and any disputes arising in relation to this letter, or the subject matter hereof shall be subject to the exclusive jurisdiction of the Israeli courts. Only paragraphs 7 (*Other Matters*) and 8 (*Governing Law; Jurisdiction*) shall be legally binding on the parties. All other paragraphs in this letter are indicative and non-binding, subject to definitive documentation, Sun Pharma or the Sun Pharma's board of directors' or other governing organs' approval and relevant regulatory approvals.

We are looking forward to hearing back from you and remain available if you have any questions.

Yours sincerely,

/s/ Dilip S. Shanghvi

Sun Pharmaceutical Industries Ltd.

Name: Dilip Shanghvi

Title: Managing Director

Date: May 26, 2023
