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

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**Amendment No. 19  
to  
SCHEDULE 14D-9**

**Solicitation/Recommendation Statement Under Section 14(d)(4)  
of the Securities Exchange Act of 1934**

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**TARO PHARMACEUTICAL INDUSTRIES LTD.**  
(Name of Subject Company)

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**TARO PHARMACEUTICAL INDUSTRIES LTD.**  
(Name of Person(s) Filing Statement)

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**Ordinary Shares, NIS 0.0001 nominal (par) value per share**  
(Title of Class of Securities)

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**M8737E108**  
(CUSIP Number of Class of Securities)

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**Taro Pharmaceutical Industries Ltd.  
Tal Levitt  
Secretary  
Italy House, Euro Park  
Yakum 60972, Israel  
+972-9-971-1800**

(Name, Address and Telephone Number of Person Authorized to Receive  
Notices and Communications on Behalf of the Person(s) Filing Statement)

**With copies to:**

**Jeffrey W. Tindell  
Skadden, Arps, Slate, Meagher & Flom LLP  
Four Times Square  
New York, New York 10036  
(212) 735-3000**

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

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This Amendment No. 19 to the Schedule 14D-9 (this "Amendment"), filed with the U.S. Securities and Exchange Commission (the "SEC") on June 2, 2010, amends and supplements the Schedule 14D-9 filed with the SEC on July 10, 2008 by Taro Pharmaceutical Industries Ltd., a company incorporated under the laws of the State of Israel ("Taro" or the "Company"), as previously amended by Amendment Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18 thereto filed with the SEC on July 23, 2008, July 28, 2008, August 28, 2008, August 29, 2008, September 2, 2008, September 10, 2008, November 12, 2008, January 5, 2009, January 6, 2009, January 6, 2009, March 31, 2009, September 29, 2009, December 8, 2009, December 10, 2009, December 15, 2009, December 18, 2009, December 21, 2009 and December 23, 2009, respectively. The Schedule 14D-9 relates to the tender offer by Alkaloida Chemical Company Exclusive Group Ltd., a company organized under the laws of the Republic of Hungary (the "Offeror") and a subsidiary of Sun Pharmaceutical Industries Ltd., a company organized under the laws of the Republic of India ("Sun India" and, together with the Offeror and their respective affiliates, collectively, "Sun"), to purchase all of the Company's ordinary shares, NIS 0.0001 nominal (par) value per share, for \$7.75 per share, net to the seller (subject to withholding taxes, as applicable) in cash, without interest, upon the terms and subject to the conditions described in the Tender Offer Statement on Schedule TO filed by Sun with the SEC on June 30, 2008, as amended.

The information in the Schedule 14D-9 and prior amendments is incorporated in this amendment by reference to all of the applicable items in the Schedule 14D-9 and prior amendments, except that such information is hereby amended and supplemented to the extent specifically provided herein.

#### **Item 4. The Solicitation or Recommendation; Item 8. Additional Information.**

Item 4 and Item 8 of the Schedule 14D-9 are hereby amended and supplemented by adding thereto the following information:

On May 27, 2010, Guggenheim Securities, LLC ("Guggenheim"), a New York-based investment banking firm retained by the Company, delivered a letter to Dilip Shanghvi, Chairman of Sun, advising Sun that Guggenheim was highly confident that it could arrange the purchase of Sun's entire equity interest in the Company by institutional investors at a price of \$15 per share, a premium to the then trading price of Taro's shares, and a 7.2% premium to the closing price of Taro's shares as of June 1, 2010.

The Guggenheim letter, which is filed as an exhibit hereto and is incorporated herein by reference, noted that the proposed transaction would enable Sun to monetize its illiquid minority position in the Company at a profit of over \$140 million, or more than double the size of its initial investment in the Company.

Guggenheim sent the proposal to Sun following meetings with a number of institutional investors and such investors' diligence of Taro, including review of information and projections provided on a confidential basis. The Guggenheim letter stated that such purchase would be subject to the completion of confirmatory due diligence, negotiation of definitive documentation and settlement of all outstanding litigation between the Company and Sun and their respective affiliates, but would not be conditioned upon receipt of audited financial statements or relisting of the Company's shares on a national securities exchange.

However, within hours after the delivery of the Guggenheim letter, Sun informed Guggenheim that Sun was not interested in pursuing the offer. In its rejection of the proposal, Mr. Sailesh Desai, "Whole Time Director" of Sun, responded to Guggenheim's proposal on behalf of Mr. Shanghvi and indicated that Sun rejected the offer. A copy of Mr. Desai's May 29, 2010 letter to Guggenheim is filed as an exhibit hereto and is incorporated herein by reference.

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The Company's Board of Directors retained Guggenheim for the purpose of reviewing strategic alternatives (including the possible purchase by a third party of Sun's equity interest in the Company) that might be available to resolve all pending disputes between Sun and the Company, while at the same time preserving, for the benefit of the Company's minority shareholders, the opportunity to realize the full, and growing, value of their investment in Taro.

As has been previously stated, the Board believes that Sun's pending tender offer for Taro shares at \$7.75 per share is woefully inadequate and not in the best interest of shareholders. In order to protect the interests of the shareholders, in May 2008, the Board authorized the commencement of litigation against Sun to require Sun to comply with Israel's "special tender offer rules," which provide important protections for minority shareholders. Under these rules, before acquiring 45 percent or more of a company's voting rights (if there is no other person then holding more than 45 percent of the voting rights in the company), an acquiror must first make a special tender offer to all remaining shareholders of the company. A special tender offer may only be consummated if (i) the total number of shares tendered exceeds the number of shares as to which notices of objection to the offer have been filed (excluding from this calculation, shares owned by the offeror, as well as shares owned by the holders of more than 25% of the outstanding voting power of the company, including, in each case, shares owned by their respective affiliates) and (ii) shares having at least 5% of the outstanding voting power of the company are tendered and purchased pursuant to the offer. The Company's lawsuit to require Sun to comply with the special tender offer rules is presently awaiting decision by the Supreme Court of the State of Israel (the "Court").

The Court had previously suggested the idea of mediation of the current dispute, and the parties engaged in mediation in February 2009, without success. Recognizing the uncertainties of litigation and the adverse affects of the prolonged appeal on the businesses of the Company and Sun, the Company's Board of Directors believed that Guggenheim might be able to assist in bringing the continuing stalemate to a close.

The Company's Board is disappointed that once again its good faith initiative to resolve the dispute was rejected out of hand by Sun. The Board continues to be concerned that, if Sun succeeds in gaining control of Taro, Taro's minority shareholders could suffer the same unfortunate fate as the minority shareholders of Sun's majority-owned U.S. subsidiary, Caraco Pharmaceutical Laboratories, Ltd. ("Caraco"), which has suffered a severe decline in its business and prospects, as well as its share price, following the U.S. Food and Drug Administration's seizure of Caraco's inventory and closure of Caraco's U.S. manufacturing plants last year.

Despite the distractions and expenses related to the inability to reach a conclusion that will be fair to all Taro shareholders, the Board continues to focus on the Company's improving operations and completing the audits of its financial statements.

#### **Item 9. Exhibits.**

Item 9 of the Schedule 14D-9 is hereby amended and supplemented by adding the following exhibit:

<u>Exhibit No.</u>	<u>Description</u>
(a)(21)	Letter from Alan D. Schwartz, Executive Chairman of Guggenheim Securities, LLC, to Mr. Dilip Shanghvi, Chairman and Managing Director of Sun Pharmaceutical Industries Ltd., dated May 27, 2010
(a)(22)	Letter from Sailesh Desai, Whole Time Director of Sun Pharmaceutical Industries Ltd., to Alan D. Schwartz, Executive Chairman of Guggenheim Securities, LLC, dated May 29, 2010

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SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Amendment No. 19 to Schedule 14D-9 is true, complete and correct.

TARO PHARMACEUTICAL  
INDUSTRIES LTD.

By: /s/ Tal Levitt

Name: Tal Levitt

Title: Secretary

Date: June 2, 2010

GUGGENHEIM

GUGGENHEIM SECURITIES, LLC  
135 EAST 5TH STREET  
NEW YORK, NEW YORK 10022  
212 901 9700 OFFICE  
212 317 2462 FACSIMILE

May 27, 2010

Sun Pharmaceutical Industries Ltd.  
Acme Plaza  
Andheri — Kurla Rd, Andheri (E)  
Mumbai — 400 059

Attn: Dilip S. Shanghvi  
Chairman and Managing Director

Taro Pharmaceutical Industries, Ltd.  
Share Purchase Proposal

Dear Mr. Shanghvi:

Guggenheim Securities, LLC ("Guggenheim Securities") has been retained by Taro Pharmaceutical Industries, Ltd. ("Taro") in connection with a review of alternatives relating to the ongoing litigation between Sun Pharmaceutical Industries Ltd. ("Sun"), Taro and their respective affiliates. We understand that in 2009, the Supreme Court of the State of Israel suggested mediation as a mechanism to arrive at a negotiated business solution to this ongoing dispute. Guggenheim Securities was asked to explore whether there is a practical business solution that will serve the interests of both parties.

Toward this end, over the last several weeks, we have introduced a number of institutional investors to Taro. Our purpose in doing so was to ascertain whether there was sufficient market interest to develop a proposal to purchase Sun's equity interest in Taro at an attractive price. We felt that if this were feasible, it could provide the basis for resolving the ongoing dispute.

These investors have now had an opportunity to meet with Taro's senior management and have received information on a confidential basis regarding Taro's business and products, historical financial performance and future prospects. After a review of this information, several of these investors submitted indications of interest with respect to participating in the purchase of Sun's equity interest in Taro. Based on a review of these responses, Guggenheim Securities is highly confident that we can arrange the purchase of Sun's entire equity interest in Taro by a group of institutional investors at a price of \$15 per share. Such purchase would be subject to the completion of confirmatory due diligence, negotiation of definitive documentation and settlement of all outstanding litigation with Taro and its affiliates. Importantly, the purchase

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would not be conditioned upon receipt of audited financial statements or a relisting of Taro's shares on a national securities exchange. Once an agreement in principle is reached with respect to key terms, we believe that the investor group would be able to execute definitive transaction documentation expeditiously given the work that has been completed to date.

We believe that a prompt resolution of this matter is in the best interests of both Sun and Taro. The uncertainty surrounding the current situation, which could persist for some time, adversely affects shareholders, employees and customers of both parties. We believe this transaction would be viewed positively by Sun's shareholders as it will allow Sun to monetize an illiquid, minority position, while realizing a profit of over \$140 million—more than double the size of its initial investment.

As our lead investors have requested that you respond to their indication promptly, we would appreciate your response no later than the close of business on June 7, 2010. We are available to discuss any questions that you may have or inquiries that you or your representatives may wish to explore. I ask that you contact me directly at (212) 901-9371, or my colleagues, Eric Rutkoske (212-901-9378) or Ken Springer (212-901-9322).

GUGGENHEIM SECURITIES, LLC

/s/ Alan D. Schwartz

By: Alan D.

Schwartz

Title: Executive

Chairman

#### *About Guggenheim*

*Guggenheim Partners, LLC is a global, privately held, diversified financial services firm with more than \$100 billion of assets under supervision and offices in the Americas, Europe and Asia. Guggenheim Partners employs over 1,600 professionals and includes an array of financial services businesses, including investment banking and capital markets, portfolio and risk management, wealth management, insurance and merchant banking. Alan D. Schwartz became Executive Chairman of Guggenheim Partners in June 2009. Prior to joining Guggenheim Partners, Mr. Schwartz spent more than 30 years with The Bear Stearns Companies, most recently as its Chief Executive Officer. Guggenheim Securities, LLC is the registered broker dealer of Guggenheim Partners.*

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17-B, Mahal Industrial Estate,  
Mahakali Caves Road, Andheri (E),  
Mumbai - 400 093. India.  
Tel. : (91-22) 6645 5645  
Fax : (91-22) 6645 5685



May 29, 2010

Mr. Alan D Schwartz  
Executive Chairman  
Guggenheim Securities, LLC  
135 East 5<sup>th</sup> Street  
New York, New York 10022  
Tel. #: 001 212 901 9700  
Fax #: 001 212 317 2462

Dear Mr. Schwartz,

Thank you for your letter of May 27, 2010 addressed to Mr. Dilip Shanghvi.

Our goal is to acquire control of Taro, as we are entitled to under the agreements that we signed. Therefore, we have to regret your offer.

Mr. Shanghvi is on vacation, hence I'm responding on his behalf.

Best regards,

/s/ Sailesh Desai  
Sailesh Desai  
Whole Time Director

Registered Office : SPARC, Tandalja, Vadodara - 390 020 India  
Corporate Office Acme Plaza, Andheri-Kurla Road, Andheri (East), Mumbai - 400 059. India.

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