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

**Amendment No. 1
to
SCHEDULE 14D-9**

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

TARO PHARMACEUTICAL INDUSTRIES LTD.
(Name of Subject Company)

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

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

M8737E108
(CUSIP Number of Class of Securities)

**Taro Pharmaceutical Industries Ltd.
Ron Kolker
Senior Vice President, Chief Financial Officer
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**

**David H. Schapiro
Yigal Arnon & Co.
1 Azrieli Center
Tel-Aviv 67021
Israel
+972-3-607-7856**

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

This Amendment No. 1 to the Schedule 14D-9 (this "Amendment"), filed with the U.S. Securities and Exchange Commission (the "SEC") on July 23, 2008, 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"). 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.

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

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)(3)	Press release issued on July 23, 2008

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Amendment No. 1 to Schedule 14D-9 is true, complete and correct.

TARO PHARMACEUTICAL
INDUSTRIES LTD.

By: /s/ Ron Kolker

Name: Ron Kolker

Title: Senior Vice President, Chief Financial Officer.

Date: July 23, 2008

INDEX TO EXHIBITS

Exhibit No.

(a)(3)

Description

Press release issued on July 23, 2008



Taro Pharmaceutical Industries Ltd.
c/o Taro Pharmaceuticals U.S.A., Inc.
Three Skyline Drive
Hawthorne, New York 10532
(Pink Sheets: TAROF)

CONTACT

Roanne Kulakoff
Kekst and Company
(212) 521-4827

FOR IMMEDIATE RELEASE

Hawthorne, NY, July 23, 2008

TARO PROVIDES PRELIMINARY FIRST HALF 2008 FINANCIAL RESULTS

First Half 2008 Net Income Nears Full Year 2007 Net Income

Hawthorne, NY, July 23, 2008 – Taro Pharmaceutical Industries Ltd. (“Taro,” the “Company,” Pink Sheets: TAROF) today provided information on its financial performance for the first half of 2008.

For the six months ended June 30, 2008, Taro estimates net sales of approximately \$166.2 million. Gross profit for the first half of 2008 was approximately \$91.5 million, or 55% of sales. Operating income for the six months ended June 30, 2008 was approximately \$29.2 million, and net income was approximately \$20.6 million, or \$0.51 per diluted share.

For the second quarter ended June 30, 2008, Taro estimates net sales of approximately \$88.1 million. Gross profit for the second quarter was approximately \$50.6 million, or 57% of sales. Operating income for the second quarter was approximately \$17.7 million, and net income was approximately \$13.0 million, or \$0.32 per diluted share.

Chairman of the Board, Barrie Levitt, M.D., stated “Taro’s net income for the first half of 2008 has nearly matched our net income of \$21.1 million for all of 2007. Results for the first two quarters indicate dramatic financial and operational improvements and show that the turnaround, to which we referred several months ago, is clearly taking place.”

- more -

Selling, general and administrative (“SG&A”) expenses for the first half of 2008 were approximately \$44.0 million, or 26% of sales, with \$23.8 million in the second quarter. The Company noted that its improved earnings took place notwithstanding approximately \$10 million of expenses related to maintaining the Company’s Irish facility as well as professional and legal fees associated with the termination of the merger agreement with Sun Pharmaceutical Industries Ltd. and related litigation.

R&D expenses in the first half of 2008 were approximately \$18.3 million or 11% of sales.

As of June 30, 2008, Taro had approximately \$51.2 million in cash or cash equivalents.

Accounts receivable - trade at June 30, 2008 were approximately \$63.9 million, which represents 69 days sales outstanding. Inventories were approximately \$75.3 million at June 30, 2008.

Total shareholders' equity at June 30, 2008 was approximately \$197.9 million. Total current liabilities were approximately \$200.2 million at June 30, 2008. Long term liabilities were approximately \$90.2 million at June 30, 2008. Total liabilities were approximately \$299.4 million at June 30, 2008.

The Company cautioned that the financial information presented herein does not constitute complete financial information, has not been reviewed by our independent auditors and is subject to possible change. However, subject to the foregoing caveats, the Company believes that the information above represents the best information currently available to Taro management.

As previously reported, the Company has been unable to file audited financial statements for the year ended December 31, 2006 due to questions concerning estimates for accruals for sales returns, chargebacks, rebates, and administrative items recorded in 2005 and prior years. The ending balances for 2006 could affect the year ended December 31, 2007, and accordingly, the Company has been unable to file audited financial statements for 2007 as well. The Company continues to work diligently with its auditors to resolve these issues and obtain completed audits for both years. The Company believes that, in addition to fulfilling other requirements, the availability of audited financial statements should facilitate the relisting of the Company on NASDAQ.

Taro Pharmaceutical Industries Ltd. is a multinational, science-based pharmaceutical company, dedicated to meeting the needs of its customers through the discovery, development, manufacturing and marketing of the highest quality healthcare products.

For further information on Taro Pharmaceutical Industries Ltd., please visit the Company’s website at www.taro.com.

SAFE HARBOR STATEMENT

Certain statements in this release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, statements that do not describe historical facts and statements that refer or relate to events or circumstances the Company “estimates,” “believes,” or “expects” to happen, “should” happen, or similar language, and statements with respect to the value of the Company and its pipeline, the Company’s financial performance, including its business model and financial performance during the last two years, relisting of the Company on NASDAQ, availability of financial information, completion of the 2006 and 2007 audits, estimates of financial results and financial information for 2005-2008, review of results for prior years and estimates of expenses and one-time charges. Although Taro Pharmaceutical Industries Ltd. believes the expectations reflected in such forward-looking statements to be based on reasonable assumptions, it can give no assurances that its expectations will be attained. Factors that could cause actual results to differ include the possible unavailability of financial information, completion of the audits of 2006, 2007 and/or 2008, actions of the Company's lenders, creditors and Sun Pharmaceutical Industries Ltd. (“Sun”), including but not limited to the outcome of the litigation with Sun referenced herein, general domestic and international economic conditions, industry and market conditions, changes in the Company's financial position, litigation brought by any party in any court in Israel, the United States, or any country in which Taro operates, regulatory actions and legislative actions in the countries in which Taro operates, and other risks detailed from time to time in the Company's SEC reports, including its Annual Reports on Form 20-F. Forward-looking statements speak only as of the date on which they are made. The Company undertakes no obligations to update, change or revise any forward-looking statement, whether as a result of new information, additional or subsequent developments or otherwise.

###