

OMB APPROVAL

OMB Number: 3235-0104
Estimated average burden
hours per response: 0.5INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF
SECURITIESFiled pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>SHALLCROSS STEVEN A</u>	2. Date of Event Requiring Statement (Month/Day/Year) 04/12/2006	3. Issuer Name and Ticker or Trading Symbol <u>Vanda Pharmaceuticals Inc. [VNDA]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ <input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below) _____ <u>Sr. VP, CFO, Treasurer</u>	5. If Amendment, Date of Original Filed (Month/Day/Year)
(Last) (First) (Middle) 9605 MEDICAL CENTER DRIVE, SUITE 300			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person
(Street) ROCKVILLE MD 20850			
(City) (State) (Zip)			

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
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Table II - Derivative Securities Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Nonqualified Stock Option (Right to Buy)	11/14/2006 ⁽¹⁾	11/14/2015	Common Stock	83,087 ⁽³⁾	0.83 ⁽⁴⁾	D	
Nonqualified Stock Option (Right to Buy)	12/29/2006 ⁽²⁾	12/29/2015	Common Stock	67,980 ⁽³⁾	4.73 ⁽⁴⁾	D	

Explanation of Responses:

- Exercisable with respect to 25% of the shares on 11/14/06. Exercisable with respect to an additional 2.08333% of the aggregate option share total each month thereafter.
- Exercisable with respect to 25% of the shares of 12/29/06. Exercisable with respect to an additional 2.08333% of the aggregate option share total each month thereafter.
- Reflects a 1-for-3.309755 reverse stock split to occur immediately following the effectiveness of the registration statement covering the issuer's initial public offering.
- Reflects the converted exercise price of each option share pursuant to the 1-for-3.309755 reverse stock split to occur immediately following the effectiveness of the registration statement covering the issuer's initial public offering.

/s/ Steven A. Shallcross

04/12/2006

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.