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FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Check this box if no longer subject to
Section 16. Form 4 or Form 5
obligations may continue. See
Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPF	ROVAL
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1. Name and Address of Reporting Person*			2. Issuer Name and Ticker or Trading Symbol Vanda Pharmaceuticals Inc. [VNDA]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)					
Ramsay David Russ				X	Director	10% Owner			
47 HULFISH STREET SUITE 310		(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 02/20/2007		Officer (give title below)	Other (specify below)			
			4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicabl					
(Street) PRINCETON	NJ	08542		X	Form filed by One Report Form filed by More than C Person	0			
(City)	(State)	(Zip)							

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

Table 1 Then bernative bebandes Abquired, Disposed of, or beneficially owned										
1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transa Code (8)					5. Amount of Securities Beneficially Owned Following Reported	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	v	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)		(1130.4)
Common Stock	02/20/2007		s		187,160	D	\$27.3718	1,585,024	Ι	See footnote ⁽¹⁾
Common Stock	02/20/2007		s		12,840	D	\$27.3718	108,706	Ι	See footnote ⁽²⁾
Common Stock	02/21/2007		s		221,785	D	\$26.74	1,363,239	I	See footnote ⁽¹⁾
Common Stock	02/21/2007		s		15,215	D	\$26.74	93,491	I	See footnote ⁽²⁾

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transa Code (8)		of E		6. Date Exerc Expiration Da (Month/Day/Y	7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				

Explanation of Responses:

1. The reportable securities are owned directly by Care Capital Investments II, L.P. and indirectly by Care Capital II, LLC as general partner of Care Capital Investments II, L.P. The reporting person is a managing member of Care Capital II, LLC. The reporting person disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that he is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of its pecuniary interest therein.

2. The reportable securities are owned directly by Care Capital Offshore Investments II, L.P. and indirectly by Care Capital II, LLC as general partner of Care Capital Offshore Investments II, L.P. The reporting person is a managing member of Care Capital II, LLC. The reporting person disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that he is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of its pecuniary interest therein.

<u>/s/ David R. Ramsay</u>

02/22/2007

Date

** Signature of Reporting Person

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 4 (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.