

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

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or Section 30(h) of the Investment Company Act of 1940

| | | | |
|---|--|---|---|
| 1. Name and Address of Reporting Person* <u>Phadke Deepak Shripad</u> (Last) (First) (Middle) <u>9605 MEDICAL CENTER DRIVE</u> <u>SUITE 300</u> (Street) <u>ROCKVILLE MD</u> <u>20850</u> (City) (State) (Zip) | 2. Date of Event Requiring Statement (Month/Day/Year) <u>04/12/2006</u> | 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>VP of Manufacturing</u> | 5. If Amendment, Date of Original Filed (Month/Day/Year) 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 |

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) |
|---------------------------------|---|--|---|

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 | | | |
| <u>Nonqualified Stock Option (Right to Buy)</u> | <u>08/15/2006⁽¹⁾</u> | <u>08/15/2015</u> | <u>Common Stock</u> | <u>15,106⁽³⁾</u> | <u>0.33⁽⁴⁾</u> | <u>D</u> | |
| <u>Nonqualified Stock Option (Right to Buy)</u> | <u>12/29/2006⁽²⁾</u> | <u>12/29/2015</u> | <u>Common Stock</u> | <u>13,100⁽³⁾</u> | <u>4.73⁽⁴⁾</u> | <u>D</u> | |

Explanation of Responses:

- Exercisable with respect to 25% of the shares on 08/15/06. 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 on 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/ Deepak Phadke04/12/2006

** 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.