

Vanda Pharmaceuticals Inc.
 Form 3
 April 12, 2006

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 RHO VENTURES IV LP
 (Last) (First) (Middle)

2. Date of Event Requiring Statement
 (Month/Day/Year)
 04/12/2006

3. Issuer Name and Ticker or Trading Symbol
 Vanda Pharmaceuticals Inc. [VNDA]

4. Relationship of Reporting Person(s) to Issuer

5. If Amendment, Date Original Filed(Month/Day/Year)

CARNEGIE HALL
 TOWER, 152 WEST 57TH
 STREET, 23RD FLOOR
 (Street)

(Check all applicable)

Director 10% Owner
 Officer Other
 (give title below) (specify below)

NEW YORK, NY 10019
 (City) (State) (Zip)

6. Individual or Joint/Group Filing(Check Applicable Line)
 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)
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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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 of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of	

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				Shares		or Indirect (1) (Instr. 5)	
Series B Preferred Stock	Â (1)	Â (2)	Common Stock	300,841 (8)	\$ (3)	I	See Footnote (4)
Series B Preferred Stock	Â (1)	Â (2)	Common Stock	738,108 (8)	\$ (3)	I	See Footnote (5)
Series B Preferred Stock	Â (1)	Â (2)	Common Stock	708,258 (8)	\$ (3)	I	See Footnote (6)
Series B Preferred Stock	Â (1)	Â (2)	Common Stock	655,485 (8)	\$ (3)	I	See Footnote (7)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
RHO VENTURES IV LP CARNEGIE HALL TOWER 152 WEST 57TH STREET, 23RD FLOOR NEW YORK, NY 10019	Â	Â X	Â	Â
RHO MANAGEMENT VENTURES IV LLC CARNEGIE HALL TOWER 152 WEST 57TH STREET, 23RD FLOOR NEW YORK, NY 10019	Â	Â X	Â	Â
RHO MANAGEMENT TRUST I CARNEGIE HALL TOWER 152 WEST 57TH STREET, 23RD FLOOR NEW YORK, NY 10019	Â	Â X	Â	Â
RHO VENTURES IV QP LP CARNEGIE HALL TOWER 152 WEST 57TH STREET, 23RD FLOOR NEW YORK, NY 10019	Â	Â X	Â	Â
RHO VENTURES IV GMBH & CO BETEILIGUNGS KG CARNEGIE HALL TOWER 152 WEST 57TH STREET, 23RD FLOOR NEW YORK, NY 10019	Â	Â X	Â	Â
RHO CAPITAL PARTNERS VERWALTUNGS GMBH CARNEGIE HALL TOWER 152 WEST 57TH STREET, 23RD FLOOR NEW YORK, NY 10019	Â	Â X	Â	Â
RHO CAPITAL PARTNERS INC CARNEGIE HALL TOWER 152 WEST 57TH STREET, 23RD FLOOR NEW YORK, NY 10019	Â	Â X	Â	Â

LESCHLY MARK
 CARNEGIE HALL TOWER
 152 WEST 57TH STREET, 23RD FLOOR
 NEW YORK, NY 10019

^ ^ X ^ ^

KAIROUZ HABIB
 CARNEGIE HALL TOWER
 152 WEST 57TH STREET, 23RD FLOOR
 NEW YORK, NY 10019

^ ^ X ^ ^

RUCH JOSHUA
 CARNEGIE HALL TOWER
 152 WEST 57TH STREET, 23RD FLOOR
 NEW YORK, NY 10019

^ ^ X ^ ^

Signatures

/s/ Jeffrey Martin, Authorized
 Signatory

04/12/2006

__Signature of Reporting Person

Date

Explanation of Responses:

* 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).

(1) Immediately.

(2) Not applicable.

(3) Reflects the automatic conversion of each share of Series B Preferred Stock into one share of Common Stock to occur upon the close of business of the day immediately preceding the closing of the issuer's initial public offering.

Shares are held of record by Rho Ventures IV, L.P. Rho Management Ventures IV, L.L.C. is the general partner of Rho Ventures IV, L.P. Rho Management Ventures IV, L.L.C. disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that Rho Management Ventures IV, L.L.C. 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. Mark Leschly, Habib Kairouz and Joshua Ruch are the managing members of Rho Management Ventures IV, L.L.C. Each of Mark Leschly, Habib Kairouz and Joshua Ruch disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that any of them is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of his pecuniary interest therein.

(4)

Shares are held of record by Rho Ventures IV GmbH & Co. Beteiligungs KG. Rho Capital Partners Verwaltungs GmbH is the general partner of Rho Ventures IV GmbH & Co. Beteiligungs KG. Rho Capital Partners Verwaltungs GmbH disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that Rho Capital Partners Verwaltungs GmbH 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. Mark Leschly, Habib Kairouz and Joshua Ruch are the managing directors of Rho Capital Partners Verwaltungs GmbH. Each of Mark Leschly, Habib Kairouz and Joshua Ruch disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that any of them is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of his pecuniary interest therein.

(5)

Shares are held of record by Rho Ventures IV (QP), L.P. Rho Management Ventures IV, L.L.C. is the general partner of Rho Ventures IV (QP), L.P. Rho Management Ventures IV, L.L.C. disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that Rho Management Ventures IV, L.L.C. 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. Mark Leschly, Habib Kairouz and Joshua Ruch are the managing members of Rho Management Ventures IV, L.L.C. Each of Mark Leschly, Habib Kairouz and Joshua Ruch disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that any of them is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of his pecuniary interest therein.

(6)

(7) Shares are held of record by Rho Management Trust I. Rho Capital Partners, Inc. is the investment advisor of Rho Management Trust I. Rho Capital Partners, Inc. disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that Rho Capital Partners, Inc. 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. Mark Leschly, Habib Kairouz and Joshua Ruch are the managing partners of Rho Capital Partners,

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Inc. Each of Mark Leschly, Habib Kairouz and Joshua Ruch disclaims beneficial ownership of the reportable securities and this report shall not be deemed an admission that any of them is the beneficial owner of such securities for purposes of Section 16 or for any other purpose, except to the extent of his pecuniary interest therein.

- (8) 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.

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

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