

Vanda Pharmaceuticals Inc.
Form 4
November 21, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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 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 *
KARABELAS ARGERIS N

(Last) (First) (Middle)

47 HULFISH STREET, SUITE 310

(Street)

PRINCETON, NJ 08542

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Vanda Pharmaceuticals Inc. [VNDA]

3. Date of Earliest Transaction (Month/Day/Year)

11/17/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

Chairman of the Board

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 Acquired, 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. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Stock	11/17/2006		S		252,666	D	\$ 14.25	4,573,541	I	See Footnote (1)
Common Stock	11/17/2006		S		17,334	D	\$ 14.25	313,705	I	See Footnote (2)
Common Stock	11/20/2006		S		46,790	D	\$ 15.29	4,526,751	I	See Footnote (1)
Common Stock	11/20/2006		S		3,210	D	\$ 15.29	310,495	I	See Footnote

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- 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
- (2) 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.

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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