

INTERPHARM HOLDINGS INC  
 Form 4  
 July 10, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
 SUTARIA RAJ

2. Issuer Name and Ticker or Trading Symbol  
 INTERPHARM HOLDINGS INC  
 [IPA]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 75 ADAMS AVE  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 06/22/2006

\_\_\_\_ Director \_\_\_\_X\_\_ 10% Owner  
 \_\_\_\_X\_\_ Officer (give title below) \_\_\_\_ Other (specify below)  
 Chief Operating Officer

HAUPPGUE, NY 11788

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 \_\_\_\_X\_\_ Form filed by One Reporting Person  
 \_\_\_\_ Form filed by More than One Reporting Person

(City) (State) (Zip)

**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)
Common Stock	06/22/2006		M	V Amount (A) or (D) Price \$ 0.682	2,100,000	D	
Common Stock					15,526,100	I	through LLC of which he is the sole member

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

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SEC 1474 (9-02)

displays a currently valid OMB control number.

**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. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount Number Shares
Option to Purchase Common Stock	\$ 0.682	06/22/2006		M	100,000	(1) 05/30/2013(1)	Common Stock 100,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SUTARIA RAJ 75 ADAMS AVE HAUPPGUE, NY 11788		X	Chief Operating Officer	

## Signatures

Raj Sutaria 07/10/2006  
 \*\*Signature of Reporting Person Date

## Explanation of Responses:

\* 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).

(1) Options to purchase an aggregate of 750,000 shares of common stock of Interpharm Holdings, Inc. were granted to Raj Sutaria on May 30, 2003. The options have the following vesting provisions: 25% vested on each of January 1, 2005 and December 31, 2005 and an additional 25% of such options shall vest on each of December 31, 2006 and December 31, 2007. The options are subject to forfeiture in the event of a termination of employment by Raj Sutaria. The term of the options is ten years from the date of grant.

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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