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Yogayatan Group Emerges as Top Bidder for Lavasa Corporation Amid Bankruptcy Proceedings

August 2, 2025

– Categories: Real Estate



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Mumbai-based Yogayatan Group has outbid competitors to become the highest bidder for the debt-laden Lavasa Corporation, which has been under bankruptcy proceedings since 2018. The group revised its offer to ₹795 crore on a net present value basis, overtaking rival Valor Estate's bid of ₹771 crore.

Lavasa Corporation, once promoted as India's first privately developed hill station, has been struggling under a debt of over ₹6,600 crore. The resolution process had earlier seen a failed attempt when Darwin Platform Infrastructure, whose ₹1,814 crore plan was approved in July 2023, defaulted on an upfront payment of ₹100 crore. The National Company Law Tribunal (NCLT) subsequently invited fresh expressions of interest from potential bidders.

In the latest round, six bidders submitted offers ranging between ₹500 crore and ₹850 crore. Apart from Yogayatan and Valor Estate, notable bidders included Welspun Group, which increased its bid to ₹785 crore, as well as Lodha Developers (Macrotech), Jindal Steel and Power, and Pride Purple Group.

One key factor distinguishing Yogayatan's proposal is its unconditional nature. Most other bids are subject to receiving environmental clearances, a major challenge for the Lavasa project. The township previously faced violations of environmental norms, complicating its approval process.

The Committee of Creditors (CoC) is expected to evaluate all bids and select a resolution plan in the coming weeks. Despite the fresh interest, financial experts suggest creditors are likely to recover only about 10 to 12 percent of their claims through the approved resolution.

Lavasa, once envisioned as a smart hill city modeled after an Italian town, has faced multiple setbacks due to regulatory issues, funding challenges, and stalled construction. The new round of bidding marks another attempt to revive the township under new ownership and restore confidence in its development prospects.