

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 3972
ANSWERED ON 17.03.2026

PM-EBUS SEWA– PAYMENT SECURITY MECHANISM (PSM) SCHEME

**3972. SHRI ANURAG SHARMA:
SHRI ARUN GOVIL:**

Will the Minister of HEAVY INDUSTRIES be pleased to state:

- (a) the details regarding progress of implementation of the PM-eBus Sewa– Payment Security Mechanism (PSM) Scheme, including the State-wise allocation of e-buses under the Gross Cost Contract (GCC) model, specifically for cities like Jhansi and Lalitpur;
- (b) the details regarding payment security framework established under the Scheme, including the role of Convergence Energy Services Limited (CESL) as the implementing agency;
- (c) the details regarding timelines fixed for deployment and operationalisation of the sanctioned buses and the duration of operational support provided under the Scheme;
- (d) whether the Government has reviewed the operationalisation of the Direct Debit Mandate mechanism with the Reserve Bank of India for recovery of dues in case of default by PTAs;
- (e) if so, the details thereof; and
- (f) whether any proposal has been approved for the allocation of e-buses in the Meerut Parliamentary Constituency under the PM-eBus Sewa-PSM Scheme and if so, the number of buses sanctioned and the timeline for their deployment?

**ANSWER
THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI BHUPATHIRAJU SRINIVASA VARMA)**

(a) & (b): PM e-Bus Sewa–PSM Scheme was notified on 28.10.2024. The details of implementation progress is as below:

- i. Scheme guidelines and Standard Operating Procedure (SOPs) have been published.
- ii. 19 States/UTs have submitted the Direct Debit Mandate (DDM) to Reserve Bank of India as on 12.03.2026.
- iii. As on 28.02.2026, Tender for 6,228 number of buses were concluded under PM-eBus Sewa Scheme of MoHUA. Letter of Award for 4720 buses have been issued by Public Transport Authorities (PTA).
- iv. Tender for 10,900 buses under PM E-DRIVE scheme are concluded and tender for 2,900 buses is under progress.
- v. Rs. 500 crore has been disbursed to CESL in the first tranche to set up the PSM Fund in FY 2025-26.

In the city of Jhansi and Lalitpur, no demand for allocation of e-buses under PM-eBus Sewa Scheme has been received from the State Authority.

The State wise details of the allocated e-buses are provided in **Annexure**.

Convergence Energy Services Ltd. (CESL) acts as the Central Implementing Agency for Scheme, managing the dedicated Payment Security Fund to ensure timely payments to electric bus operators. CESL reviews and verifies payment claims in accordance with the Concession Agreements (CA) and scheme guidelines. CESL is also responsible for developing the SOPs for fund disbursement and for aggregating e-bus operations at the national level under the Gross Cost Contract (GCC) model.

Convergence Energy Services Ltd. (CESL) reviews and verifies payment claims in accordance with the Concession Agreements and scheme guidelines. In case of payment default by Public Transport Authorities (PTAs), CESL may disburse the approved amount from the Payment Security Fund to the operator's escrow account and subsequently undertake recoupment from the concerned State/authority within the prescribed timeline, along with the applicable surcharge. If the PTA fails to repay the disbursed amount with Late Payment Surcharge (LPS) within 90 days, MHI will request RBI to invoke the Direct Debit Mandate (DDM). RBI shall debit the State Government/UT account and credit the Scheme Fund, including the applicable LPS.

(c): PSM Scheme provides payment security coverage for a period of up to 12 years for each bus deployed under the Scheme. Usually, timeline for deployment of buses is considered to be two (2) years from signing of Concession Agreements (CA) between PTA and OEM.

(d) & (e): As of 12.03.2026, 19 State/UTs have submitted the Direct Debit Mandate (DDM) to the Reserve Bank of India (RBI) who have either participated under PM E-DRIVE Scheme of MHI or PM-eBus Sewa Scheme of Ministry of Housing and Urban Affairs (MoHUA). Since buses are under deployment stage, hence no payment default is reported by PTA as on date and no claim is processed under PSM Scheme.

(f): No demand for allocation of buses has been received from Meerut/State Authority under PM-eBus Sewa-PSM Scheme.

S.No	State	Cities	Sanctioned Buses
1	Gujarat	Surat	600
		Ahemdabad	1,200
2	Karnataka	Bengaluru	4,500
3	Maharashtra	Mumbai	1,500
		Pune	1,000
4	Telangana	Hyderabad	2,200
5	Delhi	Delhi	2,800
A Total (PM E-DRIVE)			13,800
S.No.	State	Cities	Sanctioned Buses
1	Andhra Pradesh	Amaravati	50
2		Anantapur	50
3		Guntur	100
4		Kadapa	50
5		Kakinada	50
6		Kurnool	50
7		Nellore	100
8		Rajahmundry	50
9		Tirupati	350
10		Vijayawada	100
11		Visakhapatnam	100
12	Gujarat	Bhavnagar	100
13		Gandhidham	50
14		Navsari	50
15		Gandhinagar	100
16		Jamnagar	50
17		Junagadh	50
18		Rajkot	100
19		Vadodara	250
20	Madhya Pradesh	Bhopal	195
21		Indore	270
22		Jabalpur	200
23		Sagar	32
24		Gwalior	100
25		satna	20
26		Dewas	55
27		Ujjain	100
28	Maharashtra	Ahilyanagar	40
29		Akola	50
30		Amravati	50
31		Chatrapati Sambhajinagar	100
32		Bhiwandi	100
33		Chandrapur	50
34		Dhule	28
35		Ichalkaranji	25
36		Jalgaon	50
37		Kalyan Dombivli	100
38		Kolhapur	100
39		Latur	50
40		Mira Bhainder	100
41		Nagpur	150
42		Nashik	100
43		Sangli	50
44		Solapur	100
45	Thane	100	

46		Ulhasnagar	100
47		Vasai Virar City	100
48		Malegaon	26
49		Prabhani	40
50	Meghalaya	Shillong	55
51	Odisha	Sambalpur	50
52		Berhampur	50
53		Bhubaneswar	100
54		Rourkela	100
55		Cuttack	100
56	Puducherry	Puducherry	75
57	Rajasthan	Ajmer	100
58		Alwar	100
59		Bhilwara	50
60		Bikaner	125
61		Jaipur	450
62		Jodhpur	125
63		Kota	100
64		Udaipur	50
65		Sikhar	50
66	Uttrakhand	Dehradun	100
67		Haridwar	37
68	Assam	Guwahati	100
69	Chandigarh	Chandigarh	428
70	Haryana	Gurugram	100
71		Faridabad	100
72		Hisar	50
73		Karnal	50
74		Panipat	50
75		Rohtak	50
76		Yamuna Nagar	50
77		Bihar	Bhagalpur
78	Darbhanga		50
79	Gaya		50
80	Muzzafarpur		50
81	Patna		150
82	Purnea	50	
83	Arunachal Pradesh	Itanagar	50
84	Goa	Panaji	50
85	Himachal Pradesh	Shimla	25
86		Dharmsala	25
87	Chattisgarh	Durg	50
88		Raipur	100
89		korba	40
90		Bilaspur	50
91	karnataka	Belgagavi	100
92		Bellary	50
93		Davanagere	50
94		Dharwad	100
95		kalaburagi	100
96		Mangaluru	100
97		Mysuru	100
98		Shimoga	50
99		Tumakuru	50
100		Vijayapura	50
101	Punjab	Amritsar	100
102		Ludhiana	100

103		Patiala	50
104		Jalandhar	97
105		Sahibzada Ajit Singh Nagar	100
106	Kerela	Kerala	293
107	Telangana	Nizamabad	51
108		Warangal	100
109	Manipur	Imphal	50
110	Andaman & Nicobar	Andaman & Nicobar	45
111	Jammu & Kashmir	Srinagar	100
112		Jammu	100
113	Ladakh	Ladakh	48
114	Dadra & nagar haveli,Daman & DIU	Dadra & nagar haveli,Daman & DIU	50
B	Total (PM-eBus Sewa)		10,000
C	Total Scheme Buses (A+B)		23,800