

# India to push for PTA expansion with Mercosur nations

**SHREYA NANDI**

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India will pitch for expansion of the preferential trade agreement (PTA) with Mercosur nations during Prime Minister Narendra Modi's visit to Latin American nations such as Brazil and Argentina later this week.

Mercosur is a Latin American trading bloc, with Argentina, Brazil, Uruguay, Paraguay as its members. It is the fourth-largest integrated market or trade bloc globally, after the European Union (EU), Nafta and the Asean.

Modi began a five-nation tour from July 2 to 9, covering Ghana, Trinidad and Tobago, Argentina, Brazil and Namibia.

During his visit to Brazil, the Prime Minister will be participating in the Brics Summit and is scheduled to have bilateral talks with Brazil President Luiz Inacio Lula Da Silva. Modi will also meet Argentinian President Javier Milei. During both the meetings, India will push for expansion of the PTA with Mercosur bloc.

"India has been proposing an expansion of the PTA with Mercosur nations. However, there has been no consensus regarding this among the bloc. This will be discussed during the PM's visit to Argentina and Brazil," a senior government official told *Business Standard*.

India-Mercosur PTA was signed in January 2004, but came into effect from June 2009. Both sides had given tariff concessions ranging from 10 per cent to 100 per cent. India had given tariff concessions on 450 tariff lines, while the Latin American trade bloc had given concessions to 452 tariff lines. The main idea behind a PTA is to eliminate or remove tariffs, covering limited number goods and less comprehensive as compared to a free trade agreement.

According to the department of commerce, the major products covered in Indian offer list are meat and meat products, organic and inorganic chemicals, raw hides and skins, leather ar-



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## Trade deal with India may be finalised: Trump

US President Donald Trump on Wednesday said that a trade deal with India may be finalised, which may result in lower tariffs for American companies. "I think we are going to have a deal with India... and if they do that, we are going to have a deal for much less tariff," Trump told reporters on Tuesday. "Right now, India doesn't accept anybody in. I think India is going to do that, we're going to have a deal for much less tariffs," Trump said.

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ticles, wool, cotton yarn, among others. The major product groups covered by Mercosur nations are food preparations, organic chemicals, pharmaceuticals, essential oils, plastics, rubber, machinery items, electrical machinery and equipment, among others.

During the financial year 2024-25, India's exports to Mercosur countries stood at \$8.12 billion, while imports were \$9.36 billion.