

Product Liability Insurance

Whether your industry is in the production/manufacturing sector or in the sale/distribution sector for any product, including food, medicine or other, Product liability insurance has got you covered! The insurance plan is gaining significant traction among retailers, distributors, wholesalers, and manufacturers, offering comprehensive protection against third-party injury or damage to property. Under the plan, the claim can be filed under any multiple circumstances like products that damage property in any way, physical harm to custom, or even illness caused by food.

Even if you're a startup or an established MNC, not only are you eligible for it, you could reap multiple benefits in the long run. It is even more important if the product is exported outside of India. On continuous renewal of the policy, the policy gives the benefit of a retroactive period, in which claims recorded in succeeding renewals but relating to a period prior to the policy's beginning become payable as well.

Features & Benefits of Product Liability Insurance

Listed below are the potential features and benefits of product liability insurance.

Protection from Design Flaws: No matter how stringent testing has been made on each product, there still could be dangerous effects that can unknowingly appear. This is where the importance of product liability insurance comes in to provide comprehensive protection for design flaws that could be potentially dangerous for users.

Coverage for Defects in the Manufacturing or Production Process:

One of the most important aspects of product liability insurance is that it covers manufacturing or production errors that result in dangerous product problems.

Commercial General Liability (CGL) Coverage:

Although a CGL policy provides limited product liability coverage, it may be insufficient to effectively safeguard your firm. Product liability plans work in tandem with CGL coverage to protect you from losses caused by product faults or defects.

Add on Cover: Vendors can also be covered by this policy. Limited Vendor's Liability is the name of the add-on protection. You can receive coverage for liabilities arising from the insured product's sales and distribution by identified or unidentified suppliers.

Defective Warnings or Instructions:

The assertion that the product was not properly labelled or that the warnings were insufficient for the consumer to grasp the risk.

Some of the potential damages included under these claims include:

- Medical costs
- Compensatory Damages
- Economic Damages
- Miscellaneous include Attorneys' fees, costs, and punitive damages may all be awarded, depending on the policy.

Who Needs Product Liability Insurance?

Are you a business that manufactures/sells products to customers? If so, having product liability insurance is inevitable. Irrespective of your business' size, there are manifold industries that are taking advantage of this coverage. The majority of them are:

- Manufacturers
- Retailers
- Wholesale & distribution businesses

A problem at any point of the manufacturing process might result in flaws, putting your company at risk of a product liability claim. That's why having the correct insurance in place may help protect your company.

What's excluded from Product Liability Insurance?

Here's the list of actions that are not covered under product liability insurance:

- Contractual obligations are absent. For example, if you do not have fire extinguishers in your facility, which is required by law, the corporation may deny your claim for fire damage.
- Injuries resulting from mental anguish, loss of reputation, slander, and other comparable circumstances.
- Costs incurred as a result of a product recall
- Pollution-related liability
- Damage is done intentionally
- Unlawful personal gain
- Acts of dishonesty

How Can You Buy Product Liability Insurance?

- Copies of any necessary reports, such as a FIR report or other reports from the hospital, fire department, or civic body, depending on the case.
- Details of the company
- Photographs of the tragedy and the people who witnessed it
- Photocopies of all necessary licences, certifications, and permissions are required.
- Report of the Surveyor

Alternatively, if you are still facing difficulties in buying a product liability insurance policy, you can contact us without any difficulty and make the purchase today.